FIT 3PL Warehousing Private Limited

FY 2023-24

INDEPENDENT AUDITOR'S REPORT

To the Members of FIT 3PL Warehousing Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of FIT 3PL Warehousing Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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 March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, 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;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act;

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) The Company has not paid any managerial remuneration to its directors during the current year;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 to the financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 39 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, other than as disclosed in the note 39 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; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer Note 40 to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 24210934BKFUMW4127
Place of Signature: Chennai
Date: May 24, 2024

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF FIT 3PL WAREHOUSING PRIVATE LIMITED LIMTED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of FIT 3PL Warehousing Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 24210934BKFUMW4127
Place of Signature: Chennai
Date: May 24, 2024

Annexure 1 referred to in Paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) The Company has maintained proper records showing full particulars, including quantitative details and situation of Intangible assets.

(b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in Note 25 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii) During the year the Company has not made investments, provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order are not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, cess, and other statutory dues which have not been deposited on account of any dispute.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

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

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

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

(f) The Company does not have any subsidiary, associate, or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

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

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order in so far as it relates to section 177 of the Act is not applicable to the Company.

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

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

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company. For the purpose of reporting under this clause, we have reported only those Core Investment Companies which are registered with the Reserve Bank of India.

(xvii) The Company has not incurred cash losses in the current financial year or in the immediately preceding financial year.

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

(xix) On the basis of the financial ratios disclosed in note 37 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company.

We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 36 to the financial statements.

(b) There are no ongoing projects and hence the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 24210934BKFUMW4127
Place of Signature: Chennai
Date: May 24, 2024

FIT 3PL WAREHOUSING PRIVATE LIMITED
CIN: U63090TN1997PTC037441
BALANCE SHEET AS AT MARCH 31, 2024
(All amounts are in INR lakhs except share data and otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	422.43	479.34
Other Intangible assets	5	9.38	19.03
Right-of-use assets	6	2,257.85	4,056.77
Financial assets			
Deposits and other receivables	7	444.77	670.29
Non current tax assets	9	628.91	712.92
Deferred tax assets	10	318.40	320.34
Other non current assets	11	-	0.93
Total non - current assets		**4,081.74**	**6,259.62**
Current Assets			
Financial assets			
Trade receivables	12	2,576.54	3,008.39
Cash and cash equivalents	13	734.01	729.93
Other bank balances	14	500.00	2.10
Deposits and other receivables	7	500.00	389.37
Other financial assets	8	2.31	0.43
Other current assets	15	1,184.16	1,121.54
Total current assets		**5,497.02**	**5,251.76**
Total Assets		**9,578.76**	**11,511.38**
EQUITY AND LIABILITIES			
Equity			
Share capital	16	200.00	200.00
Other Equity	17	3,390.45	2,946.32
Total Equity		**3,590.45**	**3,146.32**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Lease liability	6	701.29	1,993.30
Provisions	18	223.45	259.72
Total Non-current liabilities		**924.74**	**2,253.02**
Current liabilities			
Financial Liabilities			
Lease liability	6	2,023.32	2,600.86
Trade payables	19		
Dues to micro, small and medium enterprises		606.11	717.07
Dues to creditors other than micro, small and medium enterprises		1,994.49	2,195.89
Other financial liabilities	20	39.51	156.85
Provisions	18	58.60	69.62
Other current liabilities	21	341.54	371.75
Total current liabilities		**5,063.57**	**6,112.04**
Total liabilities		**5,988.31**	**8,365.06**
Total Equity and liabilities		**9,578.76**	**11,511.38**

The notes referred to above forms an integral part of the financial statements.

As per our report of even date attached

for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : 24 May 2024

for and on behalf of the board of directors of
FIT 3PL WAREHOUSING PRIVATE LIMITED

Ravi Viswanathan
Director
DIN : 08713910

Place : Chennai
Date : 24 May 2024

Sukumar Kameswaran
Director
DIN : 02546479

Place : Chennai
Date : 24 May 2024

FIT 3PL WAREHOUSING PRIVATE LIMITED
CIN: U63090TN1997PTC037441
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in INR lakhs except share data and otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from operations	22	14,440.50	16,038.33
Other income	23	142.76	175.15
Total income		**14,583.26**	**16,213.48**
Expenses			
Employee benefits expense	24	1,752.99	1,916.00
Finance costs	25	397.53	572.57
Depreciation and amortization expense	26	2,916.25	3,038.36
Other expenses	27	8,954.61	10,014.97
Total expenses		**14,021.38**	**15,541.90**
Profit / (loss) before tax		**561.88**	**671.58**
Income tax expense	28		
Current tax		131.66	222.50
Tax relating to earlier years		-	(6.24)
Deferred tax		(2.06)	(37.93)
Income tax expenses		**129.60**	**178.33**
Profit/ (Loss) for the year		**432.28**	**493.25**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		15.84	(7.94)
Income tax relating to items that will not be reclassified to profit or loss	28	(3.99)	2.00
Net other comprehensive income not to be reclassified subsequently to profit or loss		**11.85**	**(5.94)**
Other comprehensive income for the year, net of tax		**11.85**	**(5.94)**
Total comprehensive income for the year		**444.13**	**487.31**
Earnings per share			
Basic and diluted earnings per share (INR)	29	216.14	246.63

The notes referred to above forms an integral part of the financial statements.

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

for and on behalf of the board of directors of
FIT 3PL WAREHOUSING PRIVATE LIMITED

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : 24 May 2024

Ravi Viswanathan
Director
DIN : 08713910

Place : Chennai
Date : 24 May 2024

Sukumar Kameswaran
Director
DIN : 02546479

Place : Chennai
Date : 24 May 2024

FIT 3PL WAREHOUSING PRIVATE LIMITED
CIN: U63090TN1997PTC037441
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in INR lakhs except share data and otherwise stated)

Description	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from operating activities		
Profit before tax	561.88	671.58
Adjustments for:		
Depreciation of property, plant and equipment, ROU Assets and amortisation of Intangible assets	2,916.25	3,038.36
Finance costs	397.53	572.57
Gain on sale of property, plant and equipment	(0.34)	-
Gain on termination of lease contracts	(3.56)	(41.08)
Bad debts and advance written off	10.00	36.44
Provision for bad and doubtful debts	195.27	-
Interest income	(112.64)	(133.85)
	3,964.39	**4,144.02**
Working capital adjustments:		
(Increase) /decrease in trade receivables	226.57	(391.48)
(Increase) /decrease in other current and non-current, financial and non-financial assets	123.04	(360.19)
Increase /(decrease) in trade payables	(312.36)	777.24
Increase / (decrease) in other current and non-current financial and non-financial liabilities	(147.55)	171.34
Increase /(decrease) in provisions	(31.45)	6.37
Cash generated from operating activities	**3,822.64**	**4,347.30**
Income tax refund/(paid) (net)	(49.58)	(333.72)
Net cash flow from operating activities	**3,773.06**	**4,013.58**
Cash flows used in investing activities		
Interest received from bank deposits	9.66	0.40
Redemption of / (Investment in) bank deposits having an original maturity of more than three months	(500.00)	-
Proceeds from sale of property, plant and equipment	1.09	-
Purchase of property, plant and equipment	(70.30)	(207.14)
Acquisition of intangible assets	-	(9.27)
Net cash used in investing activities	**(559.55)**	**(216.01)**
Cash flows used in financing activities		
Interest paid	(0.21)	(20.79)
Payment of lease liabilities	(3,211.32)	(3,241.35)
Net cash flows used in financing activities	**(3,211.53)**	**(3,262.14)**
Net increase in cash and cash equivalents	**1.98**	**535.44**
Cash and cash equivalents as at the beginning of the year	732.03	196.59
Cash and cash equivalents at the end of the year (Refer note 13 and 14)	**734.01**	**732.03**

The notes referred to above forms an integral part of the financial statements.

As per our report of even date attached

for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

for and on behalf of the board of directors of
FIT 3PL WAREHOUSING PRIVATE LIMITED

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : 24 May 2024

S Ravi Viswanathan
D Director
D DIN : 08713910

Place : Chennai
Date : 24 May 2024

Sukumar Kameswaran
Director
DIN : 02546479

Place : Chennai
Date : 24 May 2024

FIT 3PL WAREHOUSING PRIVATE LIMITED
CIN: U63090TN1997PTC037441
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in INR lakhs except share data and otherwise stated)

A. Equity share capital

	Note No.	No. of Shares in Lakhs	Amount in Lakhs
Balance as at 1 April 2022		**2.00**	**200.00**
Changes in equity share capital during the year		-	-
Balance as at 31 March 2023	**16**	**2.00**	**200.00**
Changes in equity share capital during the year		-	-
Balance as at 31 March 2024	**16**	**2.00**	**200.00**

B Other equity (Refer Note 17)

	Reserves and Surplus		Items of OCI				Total
	General reserve	Retained earnings	Exchange differences	Effective portion of	Equity/ Debt		
Balance as at 01 April 2022	**102.39**	**2,359.32**	**-**	**-**	**-**	**(2.69)**	**2,459.01**
Total comprehensive income for the year							
Profit / (loss) for the year	-	493.25				-	493.25
Other comprehensive income (net of tax)	-	-				(5.94)	(5.94)
Total comprehensive income	**-**	**493.25**	**-**	**-**	**-**	**(5.94)**	**487.31**
Balance as at 31 March 2023	**102.39**	**2,852.57**				**(8.64)**	**2,946.32**
Balance as at 01 April 2023	**102.39**	**2,852.57**	**-**	**-**	**-**	**(8.64)**	**2,946.32**
Total comprehensive income for the year							
Profit / (loss) for the year	-	432.29				-	432.29
Other comprehensive income (net of tax)	-	-				11.85	11.85
Total comprehensive income	**-**	**432.29**	**-**	**-**	**-**	**11.85**	**444.14**
Balance as at 31 March 2024	**102.39**	**3,284.86**	**-**	**-**	**-**	**3.21**	**3,390.46**

The notes referred to above forms an integral part of the financial statements.

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

for and on behalf of the board of directors of
FIT 3PL WAREHOUSING PRIVATE LIMITED

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : 24 May 2024

Ravi Viswanathan
Director
DIN : 08713910

Place : Chennai
Date : 24 May 2024

Sukumar Kameswaran
Director
DIN : 02546479

Place : Chennai
Date : 24 May 2024

1 Reporting entity

FIT 3PL Warehousing Private Limited ("the Company") was incorporated on 04 February 1997. Effective 14 October 2021, the Company is a subsidiary of TVS Supply chain Solutions Limited, a company registered in India. The Company is in the business of providing warehousing and logisitcs services. It caters to industries such as consumer durables, fast moving consumer goods, retail, etc.

2 Basis of preparation

A Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the requirements prescribed under Section 133 of Companies Act, 2013, (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements were authorised for issue by the Company's Board of Directors on 24th May 2024

Details of the accounting policies are included in Note 3.

B Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

C Basis of measurement

These financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit

D Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included wherever necessary.

- Note 35 - Revenue: determining the revenue to be recognised in the case of performance obligations satisfied over time
- Note 4 and 5 - Property, plant and equipment and intangible assets – Useful lives and impairment
- Note 32- Provision for expected credit losses of trade receivables and contract assets

2 Basis of preparation (continued)

D Use of estimates and judgements (continued)

Property, plant and equipment and intangible assets – useful lives

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at the end of each reporting period. The lives are based on historical experience with similar assets.

Provision for expected credit losses of trade receivables and contract assets:

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customers that have similar loss patterns (i.e., by geography, customer type, rating etc.)

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered external credit information for its customers to estimate the probability of default in future.

Assets and obligations relating to employee benefits

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- Note 31 – Measurement of defined benefit obligations: key actuarial assumptions;
- Note 32 – Impairment of financial assets.

2 Basis of preparation (continued)

E Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 32 – financial instruments

3 Material accounting policies

A Revenue

i. Rendering of services

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Such revenue is recognised upon the Company’s performance of its contractual obligations and on satisfying all the following conditions:
(1) Parties to the contract have approved the contract and undertaken to perform their respective obligations;
(2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the “Transfer”);
(3) Such contract contains specific payment terms in relation to the Transfer;
(4) Such contract has a commercial nature, namely, it will change the risk, time distribution or amount of the Company’s future cash flow;
(5) The Company is likely to recover the consideration it is entitled to for the Transfer to customers.

Revenue is recognised when no significant uncertainty exists regarding the collection of the consideration. The amount recognised as revenue is exclusive of all indirect taxes and net of returns and discounts.

Performance Obligations:

Supply chain management

The Company’s supply chain management segment generates revenue from services to its customers such as warehousing, packaging, kitting, reverse logistics and inventory management contracts ranging from a few months to a few years. The Company’s performance obligations are satisfied over time as customers simultaneously receive and consume the benefits of the Company’s services. The contracts contain a single performance obligation, as the distinct services provided remain substantially the same over time and possess the same pattern of transfer. The transaction price is based on the consideration specified in the contract with the customer and contains fixed and variable consideration. In general, the fixed component of a contract represents amounts for facility and equipment costs incurred to satisfy the performance obligation and is recognized over the term of the contract.

The Company’s generates revenue from providing freight and other transportation services for its customers. Certain accessorial services may be provided to customers under their transportation contracts, such as unloading and other incidental services. The transaction price is based on the consideration specified in the customer’s contract. The performance obligations arc satisfied over the period as the shipments move from origin to destination and revenue is recognized proportionally as a shipment moves and the related costs are recognized as incurred.

B Leases

Determining whether an arrangement contains a lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

3 Material accounting policies (continued)

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Building	1- 5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(iv) Key matters involving significant judgement

(a) Determining the lease term of contracts with termination options – Company as lessee

As per Ind AS 116, termination options are to be considered in determining the non-cancellable period. The period covered by the termination option is included if the lessee is not reasonably certain to exercise the option. Lease term is the non-cancellable period of a lease, together with any optional periods that the lessee is reasonably certain to use. The non-cancellable period of a lease is any period during which the lessee cannot terminate the contract. Consequently, any non-cancellable period in effect sets a minimum lease term. This is usually referred as “lock-in” period in the lease contract. Generally, the lease contracts are cancellable once the “lock-in” period is over, and, in most cases, the termination option is mutually available with minimum notice period requirements under the contract.

In general, since Company has made significant investments in each of the warehouse in the form of leasehold improvements, racking equipment etc. and the termination would lead to additional expenses (losses) for dismantling and would lead to business disruption, the management in general has concluded that there is economic disincentive for the Company to discontinue / terminate any arrangement. Accordingly, applying Para B34 of Ind AS 116, except for specific cases, the Company concludes that non-cancellable period generally includes the lease period covered by the option to terminate.

(b) Determining the lease term of contracts with renewal options – Company as lessee

As per Ind AS 116, the period covered by extension option is included if the lessee is reasonably certain to exercise the option.

As reasonable certainty is a high threshold, the Company believes in most leases where the lease term is greater than 3 years assuming reasonable certainty on lease commencement date may not be appropriate and must be evaluated on a case to case basis, considering factors such as investment in the property, renewal lease rates, specific modifications to property to meet customer requirements, importance of the location and impact on overall business disruption etc.

The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no material changes are required to lease period relating to the existing lease contracts.

3 Material accounting policies (continued)

C Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

− the asset is held within a business model whose objective is to hold assets 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.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3 Material accounting policies (continued)

D Property, plant and equipment

i. Recognition and measurement
Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure
Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation
Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Furniture and fixtures	10
Office equipment	5
Computer equipment	3

* Leasehold improvements are amortised on a straight line basis over the useful life of the asset or the lease period whichever is lower.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from those prescribed in Schedule II of the Act.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

E Intangible assets

i. Recognition and measurement
Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit and loss as and when incurred.

iii. Amortisation
Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

Asset	Management estimate of useful life (in years)
Computer software	3

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3 Material accounting policies (continued)

F Impairment

i. Impairment of financial instruments
The Company recognises loss allowances for expected credit losses on
- financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is 'credit - impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.
- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12 month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward - looking information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

Measurement of expected credit losses
Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Impairment (continued)
Presentation of allowance for expected credit losses in the balance sheet
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

3 Material accounting policies (continued)

Impairment (continued)

ii. Impairment of non-financial assets

The Company's non-financial assets, 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. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication 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. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

G Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, 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 amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme, Employees State Insurance Scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

Past service costs are recognised in profit or loss on the earlier of:
(i) The date of the plan amendment or curtailment, and
(ii) The date that the Company recognises related restructuring costs
The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

3 Material accounting policies (continued)

H Provisions, contingent liabilities and contingent assets

A provision is recognised 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 benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liability is disclosed for all:
- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)
- present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Company discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

I Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.
The ‘effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

Recognition of interest income or expense
In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

J Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.
Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.
Deferred tax is not recognised for:
- temporary differences arising on 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 at the time of the transaction;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3 Material accounting policies (continued)

K Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

L Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

M Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

N Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Key managerial personnel comprising the Managing Director and Deputy Managing Director assess the financial performance and position of the Company, and make strategic decisions and have been together identified as being the chief operating decision maker ('CODM').

O Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

P Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Q Changes in accounting standards and disclosures

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2022

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The Company is in compliance with this requirement.

(ii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

These amendments are not expected to have a material impact on the Company.

(iii) Ind AS 109 Financial Instruments – Fees in the ’10 per cent’ test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf.

These amendments are not expected to have a material impact on the Company.

R Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2024 to amend the following Ind AS which are effective from 01 April 2024.

(i) There are no standards that are notified and not yet effective as on the date.

(All amounts are in INR lakhs except share data and otherwise stated)

4 Property, plant and equipment

A Reconciliation of carrying amount

	Furniture and fixtures	Computer equipment	Office equipment	Total
Gross carrying amount				
Balance as at 1 April 2022	499.92	393.05	929.66	1,822.64
Other additions	51.71	40.33	115.10	207.14
Disposals	-	-	-	-
Balance at 31 March 2023	**551.63**	**433.39**	**1,044.76**	**2,029.78**
Balance at 1 April 2023	551.63	433.39	1,044.76	2,029.78
Other additions	11.28	43.25	15.77	70.30
Disposals	(1.52)	(0.73)	(1.02)	(3.26)
Balance at 31 March 2024	**561.39**	**475.91**	**1,059.52**	**2,096.82**
Accumulated depreciation and Impairment losses				
Balance as at 1 April 2022	301.23	343.20	781.55	1,425.98
Depreciation for the year	36.88	27.57	60.01	124.46
Disposals	-	-	-	-
Balance at 31 March 2023	**338.11**	**370.77**	**841.56**	**1,550.44**
Balance at 1 April 2023	338.11	370.77	841.56	1,550.44
Depreciation for the year	35.94	38.84	51.69	126.47
Disposals	(0.88)	(0.69)	(0.94)	(2.51)
Balance at 31 March 2024	**373.17**	**408.91**	**892.32**	**1,674.39**
Carrying amounts (net)				
At 31 March 2023	**213.51**	**62.62**	**203.20**	**479.34**
At 31 March 2024	**188.23**	**67.00**	**167.20**	**422.43**

(All amounts are in INR lakhs except share data and otherwise stated)

5 Intangible assets

a Reconciliation of carrying amount

	Computer software	Total
Gross carrying amount		
Balance as at 1 April 2022	95.69	95.69
Other additions	9.27	9.27
Disposals	-	-
Balance at 31 March 2023	**104.95**	**104.95**
Balance at 1 April 2023	104.95	104.95
Other additions	-	-
Disposals	-	-
Balance at 31 March 2024	**104.95**	**104.95**
Accumulated amortization and impairment loss		
Balance as at 1 April 2022	75.58	75.58
Amortization for the year	10.34	10.34
Disposals	-	-
Balance at 31 March 2023	**85.92**	**85.92**
Balance at 1 April 2023	85.92	85.92
Amortization for the year	9.65	9.65
Disposals	-	-
Balance at 31 March 2024	**95.58**	**95.58**
Carrying amounts (net)		
At 31 March 2023	**19.03**	**19.03**
At 31 March 2024	**9.38**	**9.38**

(All amounts are in INR lakhs except share data and otherwise stated)

6 Right of use assets

a Underlying Asset

The lease of buildings primarily consists of warehouses and office premises taken on lease for more than 12 months.

b Set out below are the carrying amounts of right of use assets recognised and the movements during the years.

	Building	Total
Net carrying amount		
Balance as at 1 April 2022	5,840.26	5,840.26
Additions	1,599.26	1,599.26
Reversals *(less)*	(479.19)	(479.19)
Depreciation *(less)*	(2,903.56)	(2,903.56)
Balance as at 31 March 2023	**4,056.77**	**4,056.77**
Additions	1,082.02	1,082.02
Reversals *(less)*	(100.81)	(100.81)
Depreciation *(less)*	(2,780.13)	(2,780.13)
Balance as at 31 March 2024	**2,257.85**	**2,257.85**

c

Set out below are the carrying amounts of lease liabilities and the movement during the year	**31 March 2024**	**31 March 2023**
Balance at the beginning of the year	4,594.17	6,286.51
Additions	1,048.82	1,517.48
Accretion of interest	397.32	551.79
Payments	(3,211.32)	(3,241.35)
Reversals	(104.38)	(520.26)
Balance at the end of the year	**2,724.62**	**4,594.17**
Current	2,023.32	2,600.86
Non - Current	701.29	1,993.30
Cash outflows for leases	3,211.32	3,241.35

d

The following are recognised in the statement of profit and loss	**31 March 2024**	**31 March 2023**
Depreciation expenses of right of use assets	2,780.13	2,903.56
Interest expenses on lease liabilities	397.32	551.79
Expenses relating to short term leases and leases of low value assets	335.66	761.85
Total amount recognised in profit or loss	**3,513.11**	**4,217.20**

(All amounts are in INR lakhs except share data and otherwise stated)

7 Deposits and other receivables

	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Security deposits				
Unsecured considered good	444.77	670.29	491.68	382.89
	444.77	**670.29**	**491.68**	**382.89**
Other receivables				
Loans and advances to employees	-	-	8.32	6.48
	444.77	**670.29**	**500.00**	**389.37**

8 Other financial assets

	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Advances recoverable in cash or kind				
Interest accrued on Fixed deposits	-	-	2.31	0.43
	-	**-**	**2.31**	**0.43**

9 Tax assets net

	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Tax assets				
Non Current Tax Asset	628.91	712.92	-	-
	628.91	**712.92**	**-**	**-**

10 Deferred tax assets (net)

	31 March 2024	31 March 2023
Property, plant and equipment	51.22	51.91
Provision for employee benefits	72.48	90.81
Provision for doubtful trade receivables	64.54	42.36
Right of use asset and liability	130.16	135.25
Deferred tax assets, net	**318.40**	**320.34**

11 Other non current assets

	31 March 2024	31 March 2023
Capital advances		
Unsecured considered good	-	0.93
	-	**0.93**

12 Trade receivables

	31 March 2024	31 March 2023
Gross trade receivables		
Unsecured, considered good from Related parties	128.57	132.93
Unsecured, considered good from others	2,447.97	2,875.46
Trade Receivables - credit impaired	363.58	168.30
	2,940.12	3,176.70
Loss allowance		
Trade Receivables - credit impaired	(363.58)	(168.30)
	(363.58)	(168.30)
Net trade receivables	**2,576.54**	**3,008.39**
Non-current	-	-
Current	2,576.54	3,008.39

Of the above, trade receivables from related parties are as below :	31 March 2024	31 March 2023
Trade receivables	128.57	132.93
Loss allowance	-	-
Net trade receivables	**128.57**	**132.93**

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 32.

(All amounts are in INR lakhs except share data and otherwise stated)

12 Trade receivables (Continued)

Ageing of Current trade receivables from the due date of payment:

31 March 2024	**Not due**	**< 6 months**	**6 months to 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Unsecured, considered good							
Undisputed, external	1,851.06	512.81	65.60	18.50			**2,447.97**
Intercompany	84.87	43.70					**128.57**
	1,935.92	556.51	65.60	18.50	-	-	**2,576.54**
Trade Receivables - credit impaired							
Undisputed, external	32.10	76.54	126.58	112.39	15.96		**363.58**
	32.10	76.54	126.58	112.39	15.96	-	**363.58**
Total	**1,968.03**	**633.06**	**192.18**	**130.89**	**15.96**	**-**	**2,940.12**

31 March 2023	**Not due**	**< 6 months**	**6 months to 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Unsecured, considered good							
Undisputed, external	2,117.43	709.05	48.98	-	-	-	**2,875.46**
Intercompany	40.45	88.72	3.75	-	-	-	**132.93**
	2,157.88	797.78	52.74	-	-	-	**3,008.39**
Trade Receivables - credit impaired							
Undisputed, external	16.20	18.40	102.16	6.21	7.86	17.48	**168.30**
	16.20	18.40	102.16	6.21	7.86	17.48	**168.30**
Total	**2,174.08**	**816.17**	**154.90**	**6.21**	**7.86**	**17.48**	**3,176.70**

13 Cash and cash equivalents	**31 March 2024**	**31 March 2023**
Cash and cheques on hand		
Cash on hand	0.03	0.01
	0.03	**0.01**
Balance with banks		
On current accounts	404.87	729.92
Deposits with original maturity of less than three months	329.10	-
	733.98	**729.92**
	734.01	**729.93**

14 Other bank balances	**31 March 2024**	**31 March 2023**
Deposits with original maturity of more than 3 months	500.00	-
Balances with Bank	-	2.10
	500.00	**2.10**

15 Other current assets	**31 March 2024**	**31 March 2023**
Advance related to supply of goods and services to parties other than related parties		
Unsecured, considered good	37.99	34.63
Balance with statutory authorities	360.62	296.73
Prepayments	16.54	11.59
Unbilled revenue	769.01	778.59
	1,184.16	**1,121.54**

16 Share capital	**31 March 2024**	**31 March 2023**
Authorised share capital	200.00	200.00
Issued, subscribed and paid up	200.00	200.00
	200.00	**200.00**

16 Share capital (Continued)

a. Reconciliation of shares outstanding at the beginning and at end of the reporting period

	31 March 2024		31 March 2023	
	Nos	INR in lakhs	Nos	INR in lakhs
Equity shares				
At the beginning of the year	2,00,000	200.00	2,00,000	200.00
Movement during the year	-	-	-	-
Outstanding at the end of the year	**2,00,000**	**200.00**	**2,00,000**	**200.00**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs 100/ per share. Each Share holder is eligible for one vote per share held by them. Dividend proposed if any by the Board of Directors is subject to the approval of share holders in the Annual General Meeting, except in the case of Interim Dividend. In the event of liquidation, equity shareholders are eligible to receive any of the remaining assets of the Company after distribution of all preferential amounts.

c. Shares of the company held by holding / ultimate holding company

Out of the equity shares issued by the Company, shares held by the holding company / enterprise having substantial interest are stated below:

	31 March 2024		31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Holding company	2,00,000	200.00	2,00,000	200.00

d. Details of shareholders holding more than 5% shares in the company	31 March 2024		31 March 2023	
	Number of shares	% holding	Number of shares	% holding
Equity shares				
TVS Supply chain Solutions Limited	2,00,000	100%	2,00,000	100%

C. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

17 Other equity

Retained Earnings

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

Retained earnings	31 March 2024	31 March 2023
Balance at the beginning of the year	2,852.57	2,359.32
Net profit for the year	432.29	493.25
	3,284.86	**2,852.57**

General Reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilized only in accordance with the specific requirements of Companies Act, 2013.

	31 March 2024	31 March 2023
Balance at the beginning of the year	102.39	102.39
Additions	-	-
Balance at the end of the year	**102.39**	**102.39**

Changes in item of OCI

Remeasurement of defined benefit liability

	31 March 2024	31 March 2023
Opening Balance	(8.64)	(2.69)
Remeasurement of defined benefit liability	11.85	(5.93)
Closing Balance	**3.21**	**(8.64)**

(All amounts are in INR lakhs except share data and otherwise stated)

18 Provisions

	Non-current		Current	
	31 March 2024	**31 March 2023**	**31 March 2024**	**31 March 2023**
Provisions for employee benefits				
Liability for compensated absences	52.59	85.02	25.76	34.18
Provision for gratuity	170.86	174.70	32.84	35.45
	223.45	**259.72**	**58.60**	**69.62**

19 Trade payables

	31 March 2024	31 March 2023
Trade and other payables to related parties (Refer Note 34)	290.69	621.44
Other trade payables	1,703.80	1,574.45
Dues to micro, small & medium enterprises (Refer Note 38)	606.11	717.07
	2,600.60	**2,912.96**

Ageing of trade payables from the due date of payment:

31 March 2024		**Not due**	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Undisputed dues - MSME		500.76	105.36	-	-	-	606.11
Undisputed dues - Others		1,036.75	473.64	172.86	14.04	6.50	1,703.80
Related parties		200.72	89.97	-	-	-	290.69
	-	**1,738.23**	**668.97**	**172.86**	**14.04**	**6.50**	**2,600.60**

31 March 2023		**Not due**	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Undisputed dues - MSME		577.95	132.23	5.19	1.53	0.18	717.07
Undisputed dues - Others		1,300.71	153.60	68.03	30.39	21.71	1,574.45
Related parties		594.61	26.83	-	-	-	621.44
	-	**2,473.27**	**312.66**	**73.22**	**31.92**	**21.89**	**2,912.96**

20 Other financial liabilities

	Non-current		Current	
	31 March 2024	**31 March 2023**	**31 March 2024**	**31 March 2023**
Amount due to employees	-	-	38.58	155.95
Capital creditors	-	-	0.93	0.90
	-	**-**	**39.51**	**156.85**

21 Other current liabilities

	31 March 2024	31 March 2023
Statutory dues	337.00	367.20
Advance from customers	4.54	4.54
	341.54	**371.75**

22 Revenue from operations

	Year ended 31 March 2024	Year ended 31 March 2023
Sale of services		
Income from supply chain management services	14,435.89	16,034.44
	14,435.89	**16,034.44**
Other operating revenue		
Scrap sales	4.61	3.89
	4.61	**3.89**
Total	**14,440.50**	**16,038.33**

23 Other income

	Year ended 31 March 2024	Year ended 31 March 2023
Interest income under the effective interest method on items carried at amortised cost:		
Cash and cash equivalents	9.66	0.40
Security deposits	102.98	118.83
Gain on termination of lease contracts	3.56	41.08
Interest income on income tax refund	25.54	14.62
Gain on sale of Property Plant & Equipment, net	0.34	-
Other non operating income	0.68	0.22
	142.76	**175.15**

24 Employee benefits expense

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	1,475.99	1,619.32
Contribution to provident and other funds (Refer Note 32)	111.83	107.55
Expenses related to post-employment defined benefit plans (Refer Note 32)	45.63	41.85
Expenses related to compensated absences	36.67	28.08
Staff welfare expenses	82.87	119.20
	1,752.99	**1,916.00**

25 Finance costs

	Year ended 31 March 2024	Year ended 31 March 2023
Interest on debt and borrowings on financial liabilities measured at amortised cost	0.21	20.79
Interest on lease liabilities	397.32	551.79
	397.53	**572.57**

****Secured Cash Credit From Bank**

Working capital facility with a limit of INR 12.50 crores as at 31 March 2024 (INR 12.50 crores as at 31 March 2023) was obtained from IDFC First Bank, which is secured against present & future current assets of the company. The loan is repayable on demand within 12 months and interest rate is 12 months MCLR + 1.4%. During the year, the company has availed and settled the secured cash credit from bank.

26 Depreciation and amortization expense

	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of property, plant and equipment	126.47	124.46
Depreciation of right-of-use assets	2,780.13	2,903.56
Amortisation of intangible assets	9.65	10.34
	2,916.25	**3,038.36**

(All amounts are in INR lakhs except share data and otherwise stated)

27 Other expenses	**Year ended 31 March 2024**	**Year ended 31 March 2023**
Freight charges	3,795.05	3,596.32
Staff transportation charges	0.74	0.66
Casual labour charges	2,102.50	3,410.41
Rent	335.66	761.85
Consumption of stores and spares	758.75	590.89
Power and fuel	131.05	120.21
Rates and taxes	27.38	7.21
Insurance	14.42	2.05
Repairs and maintenance		
Plant and machinery	0.98	2.78
Buildings	153.33	127.97
Others	123.78	104.69
Travelling and conveyance	12.50	21.01
Communication costs	47.17	49.49
Printing and stationery	105.36	107.97
Bank charges	0.33	4.15
Legal and professional fees	679.83	522.65
Security expenses	402.08	519.81
Payment to auditors (Refer note (a) below)	10.50	10.30
Bad debts / advance written off	10.00	36.44
Corporate social responsibility expenses	12.05	13.09
Provision for doubtful debts	195.27	(36.44)
Miscellaneous expenses	35.86	41.47
	8,954.61	**10,014.97**

(a) Details of payment to auditors

Statutory Audit	10.00	9.80
Tax audit	0.50	0.50
	10.50	**10.30**

(All amounts are in INR lakhs except share data and otherwise stated)

28 Income tax expense

A	Amounts recognised in profit or loss	Year ended 31 March 2024	Year ended 31 Mar 2023
	Current tax (a)		
	Current tax on profits for the year	131.66	216.26
		131.66	**216.26**
	Deferred tax (b)		
	Attributable to origination and reversal of temporary differences	(2.06)	(37.93)
		(2.06)	**(37.93)**
	Tax expense (a+b)	**129.60**	**178.33**

B Income tax recognised in other comprehensive income

	Year ended 31 March 2024			Year ended 31 March 2023		
	Before tax	**Tax (expense) / benefit**	**Net of tax**	**Before tax**	**Tax (expense) / benefit**	**Net of tax**
Remeasurement of defined benefit liability / (asset)	15.84	(3.99)	11.85	(7.94)	2.00	(5.94)
	15.84	**(3.99)**	**11.85**	**(7.94)**	**2.00**	**(5.94)**

C Reconciliation of effective tax rate

	31 March 2024	31 March 2024	31 Mar 2023	31 Mar 2023
Profit before tax		**561.88**		**671.58**
Income tax expense at tax rates applicable to individual entities	25.17%	141.41	25.17%	169.02
Effect of :				
Permanent disallowances	0.54%	3.03	0.49%	3.29
Others (Expenses not allowed for tax purposes)	-2.64%	(14.85)	0.90%	6.01
Income tax expense as per statement of profit and loss	**23.07%**	**129.60**	**26.55%**	**178.32**

D. Deferred tax assets (net)

Deferred tax assets and liabilities are attributable to the following :	31 March 2024	31 March 2023
Property, plant and equipment	51.22	51.91
Provision for employee benefits	72.48	90.81
Provision for doubtful trade receivables	64.54	42.36
Right of use asset and liability	130.16	135.25
Net Deferred tax assets	**318.40**	**320.34**

E. Movement in deferred tax assets and liabilities

	Balance as at 01 April 2022	Recognised in Profit & Loss	Recognised in OCI	Balance as at 31 March 2023	Recognised in Profit & Loss	Recognised in OCI	Balance as at 31 March 2024
Property, plant and equipment and intangibles	44.28	7.63	-	51.91	(0.70)	-	51.22
Provisions for employee benefits	72.28	16.53	2.00	90.81	(14.34)	(4.00)	72.48
Provision for diminution in financial assets, net	51.53	(9.17)	-	42.36	22.19	-	64.54
Right of use asset and liability	112.31	22.94	-	135.25	(5.10)	-	130.16
Net Deferred tax asset	**280.41**	**37.93**	**2.00**	**320.34**	**2.05**	**(4.00)**	**318.40**

29 Earnings per share

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

(i) Profit attributable to equity shareholders	Year ended 31 March 2024	Year ended 31 March 2023
Profit/ (loss) for the year, attributable to the equity holders	432.28	493.25
(ii) Weighted average number of equity shares		
Weighted average number of equity shares outstanding during the year	2,00,000	2,00,000
Basic and diluted earnings per share (Rs.)	216.14	246.63
Face value per Equity Share (Rs.)	100.00	100.00

30 Operating segments

Basis for segmentation

The Company is primarily involved in providing supply chain management services. The information relating to this operating segment is reviewed regularly by the Company's Chief Operating Decision Maker to make decisions about resources to be allocated and to assess its performance. Accordingly, the Company operates in a single segment and these financial statements are reflective of the information required by Ind AS 108.

A. Geographic information:

The geographic information analyses the Company's revenue by the Company's country of domicile and other countries. In presenting the geographical information, revenue has been determined based on the geographic location of the customers. The Company's entire operations are domiciled in India, and all its non-current assets are located in India.

B. Major Customers

Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:

	31 March 2024	31 March 2023
A	3,174.49	2,914.63
B	1,725.48	2,852.68
C	1,430.24	1,567.62
D	-	1,474.96
	6,330.20	**8,809.89**

31 Employee benefits

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund (PF) and employees' state insurance (ESI) scheme which are defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to PF and ESI for the year aggregated to INR 111.83 lakhs (Year ended 31 March 2023 : INR 107.55 lakhs)

Defined benefit plans	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Provisions for retirement benefit obligations	170.86	174.70	32.84	35.45

For details about the related employee benefit expenses, refer Note 25.

31 Employee benefits (continued)

Details of retirement benefit obligations

The Company has a defined benefit gratuity plan (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee at the time of retirement, death or termination of employment.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

A. Funding

The gratuity plans of the Company is a funded plan with the Company making periodic contributions to a fund managed by certain insurance companies.

B. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

(All amounts are in INR lakhs except share data and otherwise stated)

Reconciliation of present value of defined benefit obligation	**31 March 2024**	**31 March 2023**
Balance at the beginning of the period	225.01	212.28
Benefits paid	(31.24)	(31.11)
Current service cost	32.12	30.83
Interest cost	14.59	11.85
Actuarial (gains) losses recognised in other comprehensive income		
- changes in financial assumptions	(4.78)	(8.70)
- experience adjustments	(10.93)	9.86
Balance at the end of the year	**224.77**	**225.01**

Reconciliation of the fair value of plan assets	**31 March 2024**	**31 March 2023**
Balance at the beginning of the period	14.86	12.99
Contributions paid into the plan	36.23	38.94
Benefits paid	(31.24)	(31.11)
Interest income	1.08	0.82
Actuarial gains / (losses) recognised in other comprehensive income	0.14	(6.78)
Balance at the end of the year	**21.07**	**14.86**
Net defined benefit (asset) / liability	**203.70**	**210.15**

	31 March 2024	**31 March 2023**
C. Expense recognised in profit or loss		
Current service cost	32.12	30.83
Interest cost	14.59	11.85
Interest income	(1.08)	(0.82)
	45.63	**41.85**
D. Remeasurements recognised in other comprehensive income		
Acturial gain / (loss) on defined benefit obligation	15.71	(1.16)
Acturial gain / (loss) on plan assets	0.14	(6.78)
	15.84	**(7.94)**

31 Employee benefits (continued)

E. Plan assets	**31 March 2024**	**31 March 2023**
Plan assets comprise of the following:		
Insurer managed funds	21.07	14.86
	21.07	**14.86**

F. Defined benefit obligation

i. Actuarial assumptions	**31 March 2024**	**31 March 2023**
Principal actuarial assumptions at the reporting date were:		
Discount rate	7.17%	7.30%
Future salary growth	7.00%	10.00% first year; 7.00% thereafter
Attrition rate	20%	20%
Expected return on plan assets	7.17%	7.30%

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	31 March 2024		**31 March 2023**	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(8.03)	8.71	(8.28)	8.98
Future salary growth (1% movement)	9.46	(8.99)	9.76	(9.28)
Attrition rate (1% movement)	(0.31)	0.31	(0.44)	0.45

Although the analysis does not take account of the full distribution of cashflows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

iii. Maturity Profile of Defined Benefit Obligation

The following payments are expected contributions to the defined benefit plan in future years:

	Year ended 31 March 2024	**Year ended 31 March 2023**
Within the next 12 months (next annual reporting period)	53.91	50.31
Between 2 and 5 years	128.03	131.32
Between 6 and 10 years	81.46	84.92
Beyond 10 years	45.09	47.10
Total expected payments	**308.49**	**313.64**

The average duration of the defined benefit plan obligation at the end of the reporting period is 4.81 years (31 March 2023: 4.84 years).

(All amounts are in INR lakhs except share data and otherwise stated)

32 Financial instruments - Fair values and risk management

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories were as follows:

		Carrying amount					
	Note	31 March 2024			31 March 2023		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets carried at amortised cost							
Deposits and other receivables	7	-	-	944.77	-	-	1,059.66
Trade receivables	12	-	-	2,576.54	-	-	3,008.39
Cash and cash equivalents	13	-	-	734.01	-	-	729.93
Other financial assets	8	-	-	2.31	-	-	0.43
Total		-	-	**4,757.62**	-	-	**4,800.51**
Financial liabilities not measured at fair value							
Borrowings	18	-	-	-	-	-	-
Lease liability	6	-	-	2,724.61	-	-	4,594.16
Trade payables	19	-	-	2,600.60	-	-	2,912.96
Other financial liabilities	20	-	-	39.51	-	-	156.85
Total		-	-	**5,364.72**	-	-	**7,663.97**

The Company has not disclosed fair values of financial instruments such as trade receivables, cash and bank balances, deposits and other receivables, trade payables, short term borrowings and other financial liabilities, because their carrying amounts are reasonable approximations of their fair values. Such items have been classified as under amortised costs in the above table.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Market risk
- Credit risk; and
- Liquidity risk; and

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the senior management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(i) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Company's income or the value of holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

Currency risk exposure

The Company is domiciled in India and has its revenues and other transactions primarily in its functional currency i.e. INR. Accordingly the Company is not exposed to any significant currency risk.

Interest rate risk exposure

The Company has only fixed rate borrowings and is therefore not exposed to any interest rate risk.

(All amounts are in INR lakhs except share data and otherwise stated)

32 Financial instruments - Fair values and risk management (continued)

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company’s trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for financial assets are as follows:

	Carrying amount	
	31 March 2024	**31 March 2023**
Trade receivables	2,576.54	3,008.39
Cash and cash equivalents	734.01	729.93
Other bank balances	500.00	2.10
Deposits and other receivables	944.77	1,059.66
Other financial assets	2.31	0.43
Total	**4,757.62**	**4,800.51**

Trade and other receivables

The Company’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. The impairment loss at the reporting dates relates to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available information about customers from internal/external sources. The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.

The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The ageing of trade receivables that were not impaired as at the reporting date was:

As at 31 March 2024	**Gross carrying amount**	**Weighted-average loss rate**	**Loss allowance**
Not due	1,968.03	1.6%	(32.10)
Past due 1-90 days	537.57	2.0%	(10.82)
Past due 91-180 days	95.49	68.8%	(65.72)
Past due 181-365 days	192.17	65.9%	(126.58)
Past due for more than 365 days	146.85	87.4%	(128.35)
Total	**2,940.11**		**(363.58)**

As at 31 March 2023	**Gross carrying amount**	**Weighted-average loss rate**	**Loss allowance**
Not due	2,174.08	0.7%	(16.20)
Past due 1-90 days	685.25	1.3%	(9.08)
Past due 91-180 days	130.92	7.1%	(9.32)
Past due 181-365 days	154.90	66.0%	(102.16)
Past due for more than 365 days	31.55	100.0%	(31.55)
Total	**3,176.70**		**(168.30)**

32 Financial instruments - Fair values and risk management (continued)

B. Financial risk management (continued)

Movements in the allowance for impairment in respect of trade receivables
The movement in the allowance for impairment in respect of trade receivables is as follows:

	31 March 2024	31 March 2023
Balance at the beginning of the year	(168.31)	(204.74)
Add: Provision for the year	(195.27)	
Less: Provision withdrawn against bad debts written off	-	36.44
Balance at end of the year	**(363.58)**	**(168.31)**

Cash and cash equivalents and other bank balances
The Company holds cash and bank balances of INR 1,234.01 lakhs as at 31 March 2024 (31 March 2023: INR 732.03 Lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables, Investments and other financial assets
The Company holds deposits and other receivables, investments and other financial assets of INR 3,523.60 Lakhs as at 31 March 2024 (31 March 2023: INR 4,068.48 Lakhs). The credit worthiness of such parties are evaluated by the management on an ongoing basis and is considered to be good.

iii. Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

Exposure to liquidity risk
The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

		Contractual cash flows			
	Carrying amount	**Total**	**1 year or less**	**1-5 years**	**More than 5 years**
31 March 2024					
Trade payables	2,600.60	2,600.60	2,600.60	-	-
Lease liability	2,724.61	2,724.61	2,023.32	701.29	-
Other financial liabilities	39.51	39.51	39.51	-	-
	5,364.72	**5,364.72**	**4,663.43**	**701.29**	**-**

		Contractual cash flows			
	Carrying amount	**Total**	**1 year or less**	**1-5 years**	**More than 5 years**
31 March 2023					
Trade payables	2,912.96	2,912.96	2,912.96	-	-
Lease liability	4,594.16	4,594.16	2,600.86	1,993.30	-
Other financial liabilities	156.85	156.85	156.85	-	-
	7,663.97	**7,663.97**	**5,670.67**	**1,993.30**	**-**

(All amounts are in INR lakhs except share data and otherwise stated)

33 Contingent Liabilities & Capital Commitments

A. Contingent liabilities	31 March 2024	31 March 2023
a. Claims against the Company not acknowledged as debts		
GST related matters	148.39	11.20
Legal case against the Company		

From time to time, the Company is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations or cash flows of the Company.

b. Guarantees outstanding	16.00	1.00
B. Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	2.37

34 Related Party disclosures

A. Related parties with whom transactions have taken place during the year:

Nature of relationship	Name of the entity
Holding Company	TVS Supply Chain Solutions Limited
Fellow Subsidiary	White Data Systems India Private Limited

B. Transactions during the year:	31 March 2024	31 March 2023
Income from logistics services		
TVS Supply Chain Solutions Limited	319.40	197.73
Professional Fees		
TVS Supply Chain Solutions Limited	600.00	480.00
Freight charges		
TVS Supply Chain Solutions Limited	186.43	146.37
Other Expenses		
TVS Supply Chain Solutions Limited	190.85	53.85
Support Costs - Software		
White Data Systems India Private Limited	2.70	2.10

C. Year end balances :	31 March 2024	31 March 2023
Payables		
TVS Supply Chain Solutions Limited	290.69	621.16
White Data Systems India Private Limited	0.11	0.28
Receivables		
TVS Supply Chain Solutions Limited	128.57	132.93

(All amounts are in Indian rupees (₹) lakhs except share data and otherwise stated)

35 Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers":

A. Disaggregated revenue information

Segment	31 March 2024			31 March 2023		
	India	Outside India	Total	India	Outside India	Total
Type of goods or service						
Revenue from operations	14,440.50	-	14,440.50	16,038.33	-	16,038.33
Total revenue from contracts with customers	**14,440.50**	**-**	**14,440.50**	**16,038.33**	**-**	**16,038.33**

B. Timing of revenue recognition

Particulars	31 March 2024	31 March 2023
Goods transferred at a point in time	-	-
Services transferred over time	14,440.50	16,038.33
Total revenue from contracts with customers	**14,440.50**	**16,038.33**

C. Summary of contract balances

Particulars	31 March 2024	31 March 2023
Trade Receivables (Gross)	2,940.12	3,176.70
Contract assets	769.01	778.59
Advance from Customers	4.54	4.54

D. Reconciliation of Revenue from sale of products/services with the contracted price

There is no difference between the revenue recognised in the Statement of profit and loss with the contracted price.

(All amounts are in INR lakhs except share data and otherwise stated)

36 Corporate social responsibility (applicable for Companies registered in India)

		31 March 2024	31 March 2023
a	Amount required to be spent during the year	12.05	13.09
b	Amount approved by the board to be spent during the year	12.05	13.09
c	Amount spent during the year on:		
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than i) above	12.05	13.09
d	Amount of expenditure incurred	12.05	13.09
e	Shortfall at the end of the year	-	-
f	Total of previous years shortfall	-	-
g	Reason for shortfall	-	-
h	Payment made to related parties	-	-
i	Nature of CSR activities		
	Activities specified in Schedule VII of the Act	12.05	13.09

37 Ratios Analysis

Ratios	Numerator	Denominator	31 March 2024	31 March 2023	Variance	% change
Current ratio	Current Assets	Current Liabilities	1.09	0.86	0.23	26%
Debt Service Coverage ratio	Earnings for debt service = Net profit before taxes + Non-cash operating expenses+Interest	Debt service = Interest & Lease Payments + Principal Repayments	0.96	0.98	-0.01	-1%
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Shareholder's Equity	12.04%	15.68%	-0.04	-23%
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.17	5.67	-0.49	-9%
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	2.26	3.08	-0.82	-27%
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	33.32	(18.64)	51.96	-279%
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	2.99%	3.08%	-0.00	-3%
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	15.70%	22.14%	-0.06	-29%

* The Company does not have borrowings outstanding as at March 31 2024 and hence this ratio is not applicable

Reason for variance beyond 25% is as below,
Current Ratio has increased on account of increase in current deposits in the current year.
Trade payable Turnover Ratio has decreased on account of decrease in trade payables in the current year.
Net Capital Turnover Ratio has increased on account of decrease in turnover and decrease in net working capital.
Return on Capital Employed has decreased on account of decrease in earnings.

38 Due to micro, small and medium enterprises

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in these restated financial statements based on information received and available with the Company, to the extent identified by the management.

	31 March 2024	31 March 2023
The amounts remaining unpaid to micro and small suppliers as at end of the accounting year		
Principal	606.11	717.07
Interest due thereon	-	-

38 Due to micro, small and medium enterprises (Continued)

	31 March 2024	31 March 2023
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amount of payments made to the micro and small suppliers beyond the appointed day during each accounting year	2,898.14	3,098.07
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

39 Other Statutory Information.

Undisclosed income

The Company has no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Details of benami property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

Utilisation of Borrowings

A) The Company has used the working capital loans from banks for the specific purpose for which it was taken at the balance sheet date and Company does not have any working capital loan from financial institution as at balance sheet date.
B)The quarterly returns/statements of current assets filed by the Company with banks in relation to secured borrowings wherever applicable, are in agreement with the books of accounts.

Relationship with struck off companies

The Company does not have any material transactions with struck off Companies in the current and immediately preceding financial year.

Disclosure on Funding Transactions

There are no funds that 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 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.

There are no funds that have been received by the company from any person(s) 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.

Crypto transactions

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of this financial statements.

40 Audit Trail

The company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with.

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

for and on behalf of the board of directors of
FIT 3PL WAREHOUSING PRIVATE LIMITED

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : 24 May 2024

Ravi Viswanathan
Director
DIN : 08713910

Place : Chennai
Date : 24 May 2024

Sukumar Kameswaran
Director
DIN : 02546479

Place : Chennai
Date : 24 May 2024

Flexol Packaging (India) Limited

FY 2023-24

INDEPENDENT AUDITOR'S REPORT

To the Members of Flexol Packaging (India) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Flexol Packaging (India) Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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 March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, 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;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act;

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) The Company has not paid any managerial remuneration to its directors during the current year;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 35 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, other than as disclosed in the note 35 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; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (Refer Note 36 to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 24210934BKFUMX6881
Place of Signature: Chennai
Date: May 24, 2024

Annexure 1 referred to in Paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Flexol Packaging (India) Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) During the year the Company has not made investments, provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order are not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. .

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	**Nature of the dues**	**Amount (Rs in lakhs)***	**Period to which the amount relates (Financial year)**	**Forum where the dispute is pending**
Tamil Nadu Value Added Tax Act, 2006	Sales Tax	0.63	2014-15	Assistant Commissioner of Commercial Taxes
Tamil Nadu Value Added Tax Act, 2006	Sales Tax	1.96	2011-12	Assistant Commissioner of Commercial Taxes

*excluding interest and penalty

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company..

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

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

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

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

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

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

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company. For the purpose of reporting under this clause, we have reported only those Core Investment Companies which are registered with the Reserve Bank of India.

(xvii) The Company has not incurred cash losses in the current financial year or in the immediately preceding financial year.

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

(xix) On the basis of the financial ratios disclosed in note 34 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 24210934BKFUMX6881
Place of Signature: Chennai
Date: May 24, 2024

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF FLEXOL PACKAGING (INDIA) LIMITED LIMTED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Flexol Packaging (India) Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 24210934BKFUMX6881
Place of Signature: Chennai
Date: May 24, 2024

FLEXOL PACKAGING (INDIA) LIMITED
BALANCE SHEET AS AT MARCH 31, 2024
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	14	9.06	94.45
Deferred tax assets (net)	13	127.34	170.26
Non-current tax assets (net)		-	38.64
Total non-current assets		**136.40**	**303.35**
Current assets			
Inventories	16	-	4.07
Financial assets			
Trade receivables	17	131.01	127.05
Cash and cash equivalents	18	226.92	23.94
Other bank balances	19	0.89	-
Deposits and other receivables	15	4.54	6.11
Other financial assets	20	-	3.17
Other current assets	21	-	9.82
Total current assets		**363.36**	**174.16**
Total assets		**499.76**	**477.51**
EQUITY AND LIABILITIES			
Equity			
Share capital	22	77.04	77.04
Other equity	23	286.42	214.73
Total equity		**363.46**	**291.77**
Liabilities			
Non-current liabilities			
Provisions	25	6.86	5.64
Non-current tax liabilities (net)		16.76	
Total non-current liabilities		**23.62**	**5.64**
Current liabilities			
Financial liabilities			
Trade payables	26		
Dues to micro, small and medium enterprises		5.84	37.77
Dues to creditors other than micro, small and medium enterprises		81.46	111.06
Other financial liabilities	27	15.23	19.79
Provisions	25	3.96	5.71
Other current liabilities	28	6.19	5.77
Total current liabilities		**112.68**	**180.10**
Total liabilities		**136.30**	**185.74**
Total equity and liabilities		**499.76**	**477.51**

The notes from 1 to 36 form an integral part of the financial statements.

As per our report of even date attached

for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

for and on behalf of the board of directors of
Flexol Packaging (India) Limited

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : 24 May 2024

S Ravichandran
Director
DIN : 01485845

Place : Chennai
Date : 24 May 2024

B Subramanian
Director
DIN : 08270940

Place : Chennai
Date : 24 May 2024

FLEXOL PACKAGING (INDIA) LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from contracts with customers	5	512.74	717.23
Other income	6	24.86	165.36
Total income		**537.60**	**882.59**
Expenses			
Cost of material consumed	7	6.19	64.93
Increase/(decrease) in inventories of finished goods	8	(1.15)	(0.18)
Employee benefits expense	9	83.87	151.03
Finance costs	10	0.02	4.78
Depreciation and amortisation expense	11	68.47	121.69
Other expenses	12	227.58	511.40
Total expenses		**384.98**	**853.65**
Profit / (loss) before tax		**152.62**	**28.94**
Income tax expense	13		
Current tax		36.98	-
Deferred tax charge/ (credit)		43.19	(1.92)
Income tax expense		**80.17**	**(1.92)**
Profit / (loss) for the year		**72.45**	**30.86**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/ (losses) on defined benefit plan		(1.03)	1.52
Income tax relating to these items		0.27	(0.40)
Net other comprehensive income not to be reclassified subsequently to profit or loss		**(0.76)**	**1.12**
Other comprehensive income for the year, net of tax		**(0.76)**	**1.12**
Total comprehensive income for the year		**71.69**	**31.98**
Earnings per share			
Basic and diluted earnings per share (INR)	24	9.40	4.01

The notes from 1 to 36 form an integral part of the financial statements.

As per our report of even date attached

for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

for and on behalf of the board of directors of
Flexol Packaging (India) Limited

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : 24 May 2024

S Ravichandran
Director
DIN : 01485845

Place : Chennai
Date : 24 May 2024

B Subramanian
Director
DIN : 08270940

Place : Chennai
Date : 24 May 2024

FLEXOL PACKAGING (INDIA) LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from operating activities		
Profit / (loss) for the year	152.62	28.94
Adjustments for:		
Finance costs	0.02	4.78
Depreciation and amortisation expense	68.47	121.69
Interest income on income tax refund	(2.21)	-
Provision for doubtful debts	10.93	-
(Profit)/Loss on sale of property, plant and equipment (net)	-	0.15
Provision for doubtful debts no longer required written back	-	(161.70)
Operating profit before change in operating assets and liabilities	**229.83**	**(6.14)**
Change in operating assets and liabilities		
(Increase) / decrease in inventories	4.07	2.37
(Increase)/ decrease in trade receivables	(14.89)	191.61
(Increase)/ decrease in other current financial assets and other assets	12.99	34.02
(Increase) / decrease in deposits and other receivables	1.57	1.42
Increase/(decrease) in provisions	(1.56)	(0.88)
Increase/(decrease) in trade payables	(61.53)	(151.29)
Increase / (decrease) in financial liabilities and other liabilities	(4.14)	(40.71)
Cash generated from operations	**166.35**	**30.41**
Income taxes paid, net of refunds	18.42	(10.69)
Net cash flow from / (used in) operating activities	**184.77**	**19.72**
Cash flows from / (used in) investing activities		
Payments for property, plant and equipment	(10.83)	(18.32)
Proceeds from sale of property, plant and equipment	27.74	4.33
Redemption of / (Investment in) bank deposits having an original maturity of more than three months	(0.89)	-
Interest income on income tax refund	2.21	-
Net cash flow used in investing activities	**18.23**	**(13.99)**
Cash flows from / (used in) financing activities		
Interest paid	(0.02)	(4.78)
Net cash flow from / (used in) financing activities	**(0.02)**	**(4.78)**
Net increase / (decrease) in cash and cash equivalents	**202.98**	**0.95**
Cash and cash equivalents at the beginning of the year (refer note 18)	23.94	22.99
Cash and cash equivalents at the end of the year	**226.92**	**23.94**

The notes from 1 to 36 form an integral part of the financial statements.

As per our report of even date attached

for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

for and on behalf of the board of directors of
Flexol Packaging (India) Limited

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : 24 May 2024

S Ravichandran
Director
DIN : 01485845

Place : Chennai
Date : 24 May 2024

B Subramanian
Director
DIN : 08270940

Place : Chennai
Date : 24 May 2024

FLEXOL PACKAGING (INDIA) LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

		Note	Amount
A	**Equity Share Capital**		
	Authorised Capital		100.00
	Paid up Capital		
	Balance as at 01 April 2022		77.04
	Changes in equity share capital during the year	22	-
	Balance as at 31 March 2023		77.04
	Changes in equity share capital during the year	22	-
	Balance as at 31 March 2024		**77.04**

		Reserves and surplus		Items of OCI	Total
B	**Other equity**	**Securities premium**	**Retained earnings**		
	Balance at 01 April 2022	**889.95**	**(718.68)**	**11.48**	**182.75**
	Total comprehensive income for the year ended 31 March 2023				
	Profit for the year	-	30.86	-	30.86
	Other comprehensive income	-	-	1.12	1.12
	Total comprehensive income	**-**	**30.86**	**1.12**	**31.98**
	Balance at 31 March 2023	**889.95**	**(687.82)**	**12.60**	**214.73**
	Balance at 01 April 2023	**889.95**	**(687.82)**	**12.60**	**214.73**
	Profit for the year	-	72.45	-	72.45
	Other comprehensive income	-	-	(0.76)	(0.76)
	Total comprehensive income	**-**	**72.45**	**(0.76)**	**71.69**
	Balance at 31 March 2024	**889.95**	**(615.37)**	**11.84**	**286.42**

The notes from 1 to 36 form an integral part of the financial statements.

As per our report of even date attached

for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

for and on behalf of the board of directors of
Flexol Packaging (India) Limited

Bharath N S
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B Subramanian
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DIN : 08270940

Place : Chennai
Date : 24 May 2024

1 Reporting entity

Flexol Packaging (India) Limited ('the Company') was incorporated as a Private Limited Company on 14 June 2010 in India and was converted into Public Limited Company on 16 April 2012. The Company is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India (CIN U74990TN2010PLC076131). The Company is a subsidiary of TVS Supply Chain Solutions Limited, a company registered in India. The Company is engaged in the business of contract packaging, leasing of packing assets and reverse logistics services to the corporates across India.

2 Basis of preparation

A Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

The financial statements were authorised for issue by the Company's Board of Directors on 24th May 2024

Details of the Company's accounting policies are included in Note 3.

B Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

C Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	**Measurement basis**
Certain financial assets and liabilities	Fair value
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations

D Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Current and non-current classification are in line with the requirements of Schedule III to the Companies Act, 2013.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 5 - Revenue: determining the revenue to be recognised in the case of performance obligations satisfied over time
- Note 14 - Property, plant and equipment and intangible assets – Useful lives and impairment

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2024 is included in the following notes:

- Note 29 – measurement of defined benefit obligations: key actuarial assumptions;

E Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

2 Basis of preparation (continued)

F Measurement of fair values (continued)

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.
Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 33 – financial instruments

3 Material accounting polices

A Revenue

Rendering of services

Revenue from the business of contract packaging, leasing of packing assets and reverse logistics services are recognised when the relevant services are rendered and in accordance with the terms of the agreement with the customers. Unbilled revenue, if any represents services rendered and revenue recognised on contracts to be billed in subsequent periods as per the terms of the related contracts.

Revenue is recognised when no significant uncertainty exists regarding the collection of the consideration. The amount recognised as revenue is exclusive of all indirect taxes and net of returns and discounts.

B Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, 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 amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme, Employees State Insurance Scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

3 Material accounting polices - Continued

C Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
i) Expected to be realised or intended to be sold or consumed in normal operating cycle
ii) Held primarily for the purpose of trading
ii) Expected to be realised within twelve months after the reporting period, or
iv) Cash or cash equivalent unless 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 current when:
v) It is expected to be settled in normal operating cycle
vi) It is held primarily for the purpose of trading
vii) It is due to be settled within twelve months after the reporting period, or
vii) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

D Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit and loss.

E Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties, if any and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.
If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases, if any, 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.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Plant and machinery	3-5
Furniture and fixtures	8
Office equipment	5
Vehicles	8
Computer equipment	3

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from those prescribed in Schedule II of the Act.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

3 Material accounting polices - Continued

F Intangible assets

i. Recognition and measurement
Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit and loss as and when incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Computer software	3

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

G Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is ‘credit - impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company’s historical experience and informed credit assessment and including forward- looking information.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held)

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company’s procedures for recovery of amounts due.

3 Material accounting polices - Continued

ii. Impairment of non-financial assets

The Company's non-financial assets, 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. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication 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. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

H Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at
- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets 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.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in profit or loss.

3 Material accounting polices - Continued

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

I Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on 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 at the time of the transaction;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3 Material accounting polices - Continued

Uncertainity over tax treatment:

Tax treatment of an item is considered as uncertain when there is uncertainty whether the relevant taxation authority will accept the tax treatment of that item or not.

If there is uncertainty over tax treatment of an item:
1. An entity should determine an approach or method that predicts the resolution of the uncertainty. Based on the approach, the entity shall determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments.
2. It shall assess whether it is probable that the taxation authority will accept the uncertain tax treatment, assuming that the authority has full right to examine the treatment and has full knowledge of all related information.
3. If it is probable that the taxation authority will accept the tax treatment, there will be no impact on the amount of taxable profits/losses, tax bases, unused tax losses/credits and tax rates. In vice versa case, the entity shall show the effect of the uncertainty for each uncertain tax treatment on amount of related aforesaid items by using either the most likely outcome or the expected outcome of the uncertainty.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets - unrecognised or recognised are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.
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, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

J Provisions, contingent liabilities and contingent assets

A provision is recognised 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 benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.
Contingent liability is disclosed for all:

- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)

- present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Company discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

K Leases

Determining whether an arrangement contains a lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee
The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i)Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Building	5- 9 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The right-of-use assets are also subject to impairment. Refer to the accounting policies on impairment of non-financial assets.

3 Material accounting polices - Continued

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

L Inventories

Inventories consist of packing materials and are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value (NRV) is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. This comparison of cost and NRV is made on an item by item basis.

M Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

N Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

O Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

P Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

Q Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors assesses the financial performance and position of the Company, and makes strategic decisions and has been identified as being the chief operating decision maker.

R Earnings per share

Basic earning per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

S Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

T Changes in accounting standards and disclosures

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.
The amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

These amendments are not expected to have a material impact on the Company.

Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2024 to amend the following Ind AS which are effective from 01 April 2024.

There are no standards that are notified and not yet effective as on the date

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

4 Operating segments

The Company is engaged in business namely providing logistics services and also renders services only in India. The entity's chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company operates in a single segment and these financial statements are reflective of the information required by Ind AS 108.

A. Geographic information:

The geographic information analyses the Company's revenue by the Company's country of domicile and other countries. In presenting the geographical information, revenue has been determined based on the geographic location of the customers. The Company's entire operations are domiciled in India, and all its non-current assets are located in India.

B. Major Customers

Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
A	224.06	306.60
B	118.68	109.11
C	75.49	100.19
	418.23	**515.90**

5 Revenue from contracts with customers	Year ended 31 March 2024	Year ended 31 March 2023
Income from logistics services (refer note 5.1 below)	512.74	717.23
	512.74	**717.23**

5.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	Year ended 31 March 2024	Year ended 31 March 2023
Timing of revenue recognition		
Services transferred over time	512.74	717.23
Total revenue from contracts with customers	**512.74**	**717.23**

5.2 Contract balances	Year ended 31 March 2024	Year ended 31 March 2023
Trade receivables (refer note 17)	131.01	127.05
Unbilled revenue (refer note 20)	-	3.17
	131.01	**130.22**

6 Other income	Year ended 31 March 2024	Year ended 31 March 2023
Provision for doubtful debts no longer required written back	-	161.70
Other non operating income	-	2.38
Interest income on income tax refund	2.21	1.28
Bad debts /Advances written of	22.65	
	24.86	**165.36**

7 Cost of materials consumed	Year ended 31 March 2024	Year ended 31 March 2023
Inventory at the beginning of the year	2.92	5.47
Purchases	3.27	62.38
Less: Inventory at the end of the year	-	(2.92)
	6.19	**64.93**

8	**Increase/(decrease) in inventories of finished goods**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Finished goods at the beginning of the year	(1.15)	0.97
	Finished goods at the end of the year	-	(1.15)
	Increase/(decrease) in inventories of finished goods	**(1.15)**	**(0.18)**
	Details of finished goods		
	Stock of pallets	-	1.15

9	**Employee benefits expense**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Salaries, wages and bonus	72.93	135.65
	Contribution to provident and other funds	7.06	8.97
	Expenses related to post-employment defined benefit plans	1.40	1.93
	Staff welfare expenses	2.48	4.48
		83.87	**151.03**

10	**Finance Costs**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Interest expenses on borrowings*	0.02	4.78
		0.02	**4.78**

***Secured Cash Credit From Bank**

Working Capital loan of INR 2 Crores based on the revolving credit facility from Yes Bank was secured against present & future current assets of the company. The loan was repayable on demand within 6 months and interest rate is 6 months MCLR + 2.25%. During the previous period, the Company has availed and settled the loan.No availment of loan in the current period.

11	**Depreciation and amortisation expense**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Depreciation of property, plant and equipment (refer note 14)	68.47	121.69
		68.47	**121.69**

12	**Other expenses**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Freight charges	165.83	244.21
	Casual labour charges	5.33	0.48
	Power and fuel	-	(0.13)
	Rent	4.00	-
	Rates and taxes	0.29	4.10
	Insurance	0.15	2.79
	Repairs and maintenance		
	Plant and machinery	-	0.05
	Others	0.27	5.22
	Travelling and conveyance	2.13	8.21
	Communication costs	0.46	1.32
	Printing and stationery	0.43	0.82
	Bank charges	0.12	0.12
	Legal and professional fees	29.39	7.97
	Loss on sale of property plant and equipments	-	0.15
	Payment to auditors (refer note (a) below)	8.00	7.34
	Bad debts/ advances written off	-	227.42
	Provision for doubtful debts	10.93	-
	Late fees & penalties	-	0.34
	Miscellaneous expenses	0.25	1.00
		227.58	**511.40**

(a)	**Details of payment to auditors**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	As auditor:		
	Statutory audit	8.00	7.34
		8.00	**7.34**

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

13 Income tax expense

A. Amounts recognised in profit or loss

	Year ended 31 March 2024	Year ended 31 March 2023
Current tax		
Current tax	36.98	-
	36.98	**-**
Deferred tax		
Attributable to :		
Origination and reversal of temporary differences	43.19	(1.92)
	43.19	(1.92)
Tax expense	**80.17**	**(1.92)**

B. Income tax recognised in other comprehensive income

	Year ended 31 March 2024			Year ended 31 March 2023		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Remeasurements of defined benefit liability / (asset)	(1.03)	0.27	(0.76)	1.52	(0.40)	1.12
	(1.03)	**0.27**	**(0.76)**	**1.52**	**(0.40)**	**1.12**

C. Reconciliation of effective tax rate

	Year ended 31 March 2024		Year ended 31 March 2023	
Profit/ (loss) before tax		152.62		28.94
Tax using the Company's domestic tax rate	26.00%	39.68	26.00%	7.52
Effects of :				
Non-deductible expenses & C/F loss benefit	-4.93%	(7.52)	0.00%	-
Others	52.53%	80.17	33.73%	9.76
Effective tax rate	73.60%	112.33	59.73%	17.28

13 Income tax expense (continued)

D. Recognised deferred tax assets and liabilities

a. Deferred tax assets and liabilities are attributable to the following :

	31 March 2024	31 March 2023
Deferred tax asset		
Property, plant and equipment and intangibles	107.58	116.91
Amounts allowable only on payment	1.79	6.92
Provision for diminution in financial assets, net	17.96	15.71
Tax losses carried forward	-	30.71
Deferred tax assets, net	**127.34**	**170.26**

b. Movement in deferred tax assets and liabilities

	Balance as at 01 April 2022	Recognised in Profit & Loss	Recognised in OCI	Balance as at 31 March 2023	Recognised in Profit & Loss	Recognised in OCI	Balance as at 31 March 2024
Property, plant and equipment and intangibles	109.14	7.77	-	116.91	(9.33)	-	107.58
Amounts allowable only on payment	2.69	4.63	(0.40)	6.92	(5.40)	0.27	1.79
Provision for diminution in financial assets, net	56.91	(41.20)	-	15.71	2.25	-	17.96
Tax losses carried forward	-	30.71	-	30.71	(30.71)	-	-
Net Deferred tax asset	**168.74**	**1.92**	**(0.40)**	**170.26**	**(43.19)**	**0.27**	**127.34**

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

14 Property, plant and equipment

Reconciliation of carrying amount

	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Computer equipment	Total
Gross carrying amount						
Deemed cost as at 01 April 2022	963.06	16.53	10.70	13.27	3.95	1,007.50
Additions	18.31	-	-	-	-	18.32
Deletions	-	-	-	(12.82)	-	(12.82)
Balance at 31 March 2023	**981.37**	**16.53**	**10.70**	**0.45**	**3.95**	**1,013.00**
Deemed cost as at 01 April 2023	**981.37**	**16.53**	**10.70**	**0.45**	**3.95**	1,013.00
Additions	**10.83**	**-**	**-**	**-**	**-**	10.83
Deletions	**(190.42)**	**-**	**-**		**-**	(190.42)
Balance at 31 March 2024	**801.77**	**16.53**	**10.70**	**0.45**	**3.95**	**833.40**
Accumulated depreciation as at 01 April 2022	767.77	16.12	9.44	8.41	3.45	805.20
Depreciation for the year	121.08	0.18	-	0.37	0.06	121.69
Deletion during the year				(8.34)		(8.34)
Balance at 31 March 2023	**888.85**	**16.30**	**9.44**	**0.44**	**3.51**	**918.55**
Accumulated depreciation as at 01 April 2023	888.85	16.30	9.44	0.44	3.51	918.55
Depreciation for the year	68.47	-	-	-	-	68.47
Deletion during the year	(162.68)	-	-	-	-	(162.68)
Balance at 31 March 2024	**794.64**	**16.30**	**9.44**	**0.44**	**3.51**	**824.34**
Carrying amounts (net)						
At 31 March 2023	**92.52**	**0.23**	**1.26**	**0.01**	**0.44**	**94.45**
At 31 March 2024	**7.13**	**0.23**	**1.26**	**0.01**	**0.44**	**9.06**

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

15 Deposits and other receivables

	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Security deposits				
Unsecured, considered good	-	-	-	1.30
	-	**-**	**-**	**1.30**
Other receivables				
Advances to employees	-	-	4.54	4.81
	-	**-**	**4.54**	**4.81**
	-	**-**	**4.54**	**6.11**

16 Inventories

	31 March 2024	31 March 2023
Raw materials	-	2.92
Finished goods	-	1.15
	-	**4.07**

17 Trade receivables (Current)

	31 March 2024	31 March 2023
Unsecured, considered good	131.01	127.05
Trade Receivables - credit impaired	71.36	60.43
	202.37	187.48
Less: Loss Allowance for credit impaired trade receivables	(71.36)	(60.43)
	131.01	**127.05**
Current portion	131.01	127.05
Of the above, trade receivables from related parties are as below :		
Total trade receivables from related parties (refer note 31)	103.40	100.33
Less: Loss Allowance for credit impaired trade receivables	-	-
Net trade receivables	**103.40**	**100.33**

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 33.

Ageing of trade receivable from the due date of payment:

31 Mar 2024	**Not due**	**< 6 months**	**6 months to 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Unsecured, considered good							
Undisputed, external	25.29	-	-	-	-	-	**25.29**
Intercompany	17.27	37.75	3.21	47.49	-	-	**105.72**
	42.56	37.75	3.21	47.49	-	-	**131.01**
Trade Receivables - credit impaired							
Undisputed, external	0.37	2.97	3.73	64.29			**71.36**
	0.37	2.97	3.73	64.29	-	-	**71.36**
Total	**42.93**	**40.72**	**6.94**	**111.78**	**-**	**-**	**202.37**

31 Mar 2023	**Not due**	**< 6 months**	**6 months to 1**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Unsecured, considered good							
Undisputed, external	26.72	-	-	-	-	-	**26.72**
Intercompany	10.40	58.68	31.25	-	-	-	**100.33**
	37.12	58.68	31.25	-	-	-	**127.05**
Trade Receivables - credit impaired							
Undisputed, external	1.08	13.14	14.72	31.49			**60.43**
	1.08	13.14	14.72	31.49	-	-	60.43
	38.20	**71.82**	**45.97**	**31.49**	**-**	**-**	**187.48**

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

18 Cash and cash equivalents	31 March 2024	31 March 2023
Cash on hand	-	-
Balance with banks		
On current accounts	226.92	23.94
	226.92	**23.94**

19 Other bank balances	31 March 2024	31 March 2023
Deposits with original maturity of more than 3 months	0.89	-
	0.89	**-**

20 Other financial assets	31 March 2024	31 March 2023
Unbilled revenue	-	3.17
	-	**3.17**

21 Other current assets	31 March 2024	31 March 2023
Advance related to supply of goods and services to parties other than related parties		
Unsecured, considered good	-	3.86
	-	**3.86**
Other current assets		
Prepaid expenses	-	3.16
Balances with statutory and government authorities	-	2.80
	-	**5.96**
	-	**9.82**

22 Share capital	31 March 2024	31 March 2023
Authorised share capital		
900,000 (31 March 2023: 900,000) equity shares of ₹ 10 each	90.00	90.00
100,000 (31 March 2023: 100,000) preference shares of ₹ 10 each	10.00	10.00
Issued, Called, Subscribed and Paid up		
770,416 (31 March 2023: 770,416) equity shares of ₹ 10 each	77.04	77.04

a. Reconciliation of shares outstanding at the beginning and at end of the reporting period

	31 March 2024		31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the beginning of the year	7,70,416	77.04	7,70,416	77.04
Issued during the year	-	-	-	-
Outstanding at the end of the year	**7,70,416**	**77.04**	**7,70,416**	**77.04**

b. Terms/rights attached to equity shares

The Company has one class of equity shares having face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting ("AGM").

c. Shares of the company held by holding company

Out of the equity shares issued by the Company, shares held by the holding company are stated below:

	31 March 2024	31 March 2023
TVS Supply Chain Solutions Limited		
770,416 (31 March 2023: 770,416) equity shares of ₹ 10 each	77.04	77.04

d. Details of shareholders holding more than 5% of a class of shares in the company

	31 March 2024		31 March 2023	
	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹ 10 each, fully paid up				
TVS Supply Chain Solutions Limited	7,70,416	100.00%	7,70,416	100.00%

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

e. Details of Shares held by Promoters

Promoter name : TVS Supply Chain Solutions Limited	31 March 2024	31 March 2023
No. of shares at the beginning of the year	7,70,416	7,70,416
Change during the year	-	-
No. of shares at the end of the year	7,70,416	7,70,416
% of total shares	100%	100%
% change during the year	-	-

23 Other equity

A Securities premium

	31 March 2024	31 March 2023
Balance at the beginning of the year	889.95	889.95
Additions	-	-
Balance at the end of the year	**889.95**	**889.95**

B Retained Earnings

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

Retained earnings	31 March 2024	31 March 2023
Balance at the beginning of the year	(687.82)	(718.68)
Net profit for the year	72.45	30.86
Balance at the end of the year	**(615.37)**	**(687.82)**

C Items of OCI

Remeasurements of defined benefit liability (asset)
Remeasurements of defined benefit liability (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

Remeasurements of defined benefit liability (asset)	31 March 2024	31 March 2023
Opening balance	12.60	11.48
Remeasurements of defined benefit liability (asset)	(0.76)	1.12
Closing balance	**11.84**	**12.60**
Total Other Equity	**286.42**	**214.73**

24 Earnings per share
Basic and diluted earnings per share
The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

(i) Profit attributable to equity shareholders	Year ended 31 March 2024	Year ended 31 March 2023
Profit/ (loss) for the year, attributable to the equity holders	72.45	30.86

(ii) Weighted average number of equity shares	Year ended 31 March 2024	Year ended 31 March 2023
Weighted average number of equity shares outstanding during the year	7,70,416	7,70,416

25 Provisions

	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Provisions for employee benefits				
Liability for gratuity (refer note 29)	4.31	3.91	2.72	3.36
Liability for compensated absences	2.55	1.73	1.24	2.35
	6.86	**5.64**	**3.96**	**5.71**

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

26 Trade payables

	31 March 2024	31 March 2023
Trade payables to related parties (refer note 31)	37.45	6.82
Due to Micro, Medium & Small Industries (refer note 32 for details of dues to MSMED)	5.84	37.77
Other trade payables	44.00	104.24
	87.29	**148.83**
Current portion	87.29	148.83
Non-current portion	-	-

The Company's exposure to currency and liquidity risks relating to trade payables is disclosed in Note 33.

Ageing of trade payables from the due date of payment:

31 March 2024	Not due	< 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - MSME	5.84	-	-	-	-	5.84
Undisputed dues - Others	18.13	13.87	8.13	3.88	-	44.00
Intercompany	2.55	28.08	6.82	-	-	37.45
Total	**26.52**	**41.95**	**14.94**	**3.88**	**-**	**87.29**

31 March 2023	Not due	< 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - MSME	20.21	17.56	-	-	-	37.78
Undisputed dues - Others	63.23	23.45	3.88	0.09	13.59	104.24
Intercompany	6.82	-	-	-	-	6.82
Total	**90.26**	**41.01**	**3.88**	**0.09**	**13.59**	**148.83**

27 Other financial liabilities (current)

	31 March 2024	31 March 2023
Amount due to employees	15.23	19.79
	15.23	**19.79**

28 Other current liabilities

	31 March 2024	31 March 2023
Statutory dues	6.07	5.66
Others	0.12	0.11
	6.19	**5.77**

29 Employee benefits

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund (PF) and employees' state insurance (ESI) scheme which are defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to PF and ESI for the year is INR 7.06 lakhs (Year ended 31 March 2023 : INR 8.97 lakhs).

Defined benefit plan

Provision for gratuity	**31 March 2024**	**31 March 2023**
Current portion	2.72	3.36
Non-current portion	4.31	3.91

The Company has a defined benefit gratuity plan (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee at the time of retirement, death or termination of employment.

	31 March	**31 March 2023**
Net defined benefit liability for Gratuity	7.01	7.27

A. Funding
The Gratuity plan of the Company is an unfunded plan.

B. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

Reconciliation of present value of defined benefit obligation	**31 March**	**31 March 2023**
Balance at the beginning of the year	7.27	8.98
Benefits paid	(2.67)	(2.11)
Current service cost	0.99	1.47
Interest cost	0.41	0.46
Actuarial (gains) losses recognised in other comprehensive income	1.03	(1.52)
Balance at the end of the year	**7.01**	**7.27**

C. Expense recognised in profit or loss

	31 March	**31 March 2023**
Current service cost	0.99	1.47
Interest cost	0.41	0.46
	1.40	**1.93**

D. Remeasurements recognised in other comprehensive income

	31 March	**31 March 2023**
Actuarial (gain)/loss on defined benefit obligation	1.03	(1.52)
	1.03	**(1.52)**

E. Defined benefit obligation

i. Actuarial assumptions
Principal actuarial assumptions at the reporting date are as follows,

	31 March	**31 March 2023**
Discount rate	7.19%	7.24%
Future salary growth	10.00%	10.00%
Attrition rate	29.00%	45.00%

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	31 March 2024		**31 March 2023**	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(0.22)	0.25	(0.12)	0.12
Future salary growth (1% movement)	0.27	(0.24)	0.15	(0.14)
Attrition rate (1% movement)	(0.06)	0.06	(0.03)	0.03

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

30 Capital commitments and contingent liabilities

	31 March 2024	31 March 2023
Contingent liabilities :		
Sales tax related matters	95.80	2.59

From time to time, the Company is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations, or cash flows of the Company.

31 Related party disclosures

A. Related parties with whom transactions have taken place during the year:

Nature of relationship	Name of the entity
Holding company	TVS Supply Chain Solutions Limited
Enterprise with significant influence	TVS Mobility Private Limited
Key managerial personnel (KMP)	Subramanian Baskaran, Director Sargunaraj Ravichandran, Director Ramalingam Shankar, Director

B. Transaction with key managerial personnel

Key management personnel of the Company comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Company.

C. Related party transactions other than those with key managerial personnel

	Year ended 31 March 2024	Year ended 31 March 2023
Transaction during the year:		
Income from logistics services		
TVS Supply Chain Solutions Limited	118.68	109.12
Rent		
TVS Mobility Private Limited	4.00	
Legal and Professional Charges		
TVS Supply Chain Solutions Limited	30.63	-

	31 March 2024	31 March 2023
D. Year end balances		
Receivables		
TVS Supply Chain Solutions Limited		
Receivable for transfer of fixed assets	27.74	-
Other Receivables	103.40	100.33
Payables		
TVS Supply Chain Solutions Limited	37.45	6.82

32 Dues to Micro, Small and Medium Enterprises

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED"). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2024 and 2023 has been made in these financial statements based on information received and available with the Company, to the extent identified by the management.

	31 March 2024	31 March 2023
The amounts remaining unpaid to micro and small suppliers as at end of the accounting year		
-Principal	5.84	37.77
-Interest		
The amount of payments made to micro and small suppliers beyond the appointed day during each accounting	22.17	49.98
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

33 Financial instruments - Fair value and risk management

A Accounting classifications and fair values

The carrying value and fair value of financial instruments by categories were as follows:

Particulars	Note	As at 31 March 2024			As at 31 March 2023		
		Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
Assets:							
Cash and cash equivalents	18	226.92	-	-	23.94	-	-
Trade receivables	17	131.01	-	-	127.05	-	-
Deposits and other receivables	15	4.54	-	-	6.11	-	-
Other Financial Assets	20	-	-	-	3.17	-	-
Total		**362.47**	**-**	**-**	**160.27**	**-**	**-**
Liabilities:							
Trade payables	26	87.30	-	-	148.83	-	-
Other financial liabilities	27	15.23	-	-	19.79	-	-
Total		**102.53**	**-**	**-**	**168.62**	**-**	**-**

Note:
The Company has not disclosed fair values of financial instruments such as trade receivables, cash and bank balances, deposits and other receivables, trade payables, short term borrowings and other financial liabilities, because their carrying amounts are reasonable approximations of their fair values. Such items have been classified as under amortised costs in the above table.

B Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Market risk
- Credit risk and
- Liquidity risk

Risk management framework
The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the senior management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(i) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Company's income or the value of holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

Currency risk exposure
The Company is domiciled in India and has its revenues and other transactions primarily in its functional currency i.e. INR. Accordingly the Company is not exposed to any significant currency risk.

Interest rate risk exposure
The Company has only fixed rate borrowings and is therefore not exposed to any interest rate risk.

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

33 Financial instruments (continued)

(ii) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables, deposits and other receivables and other financial assets. Trade receivables, if any are typically unsecured and are derived from revenue earned from customers. The carrying amount of financial assets represents the maximum credit exposure. Credit risk is managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables, deposits and other receivables and other financial assets.

The maximum exposure to credit risk for trade and other receivables are as follows:

	Carrying amount	
	31 March 2024	**31 March 2023**
Cash and cash equivalents	226.92	23.94
Trade receivables	131.01	127.05
Deposits and other receivables	4.54	6.11
Other Financial Assets	-	3.17
Total	**362.47**	**160.27**

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, except to the extent already provided based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available information about customers. The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

33 Financial instruments (continued)

(ii) Credit risk (continued)

The ageing of gross trade receivables (before loss allowances) as at the reporting date is as follows:

As at 31 March 2024

Age	Gross carrying amount	Weighted average loss rate	Loss allowance
Not due	42.93	0.87%	0.37
Past due 1-90 days	35.96	5.2%	1.86
Past due 91-180 days	4.76	23.26%	1.11
Past due 181-365 days	6.94	53.71%	3.73
Past due for more than 365 days	111.90	57.5%	64.29
	202.50		**71.36**

As at 31 March 2023

Age	Gross carrying amount	Weighted average loss rate	Loss allowance
Not due	38.19	2.83%	1.08
Past due 1-90 days	37.70	0.00%	5.93
Past due 91-180 days	34.12	20.31%	6.93
Past due 181-365 days	45.97	32.63%	15.00
Past due for more than 365 days	31.49	100.00%	31.49
	187.47		**60.43**

33 Financial instruments (continued)

(ii) Credit risk (continued)

Movement in the allowance for impairment in respect of trade receivables and loans

The movement in the allowance for impairment in respect of trade receivables is as follows:

	31 March 2024	31 March 2023
Balance at the beginning of the year	(60.43)	218.88
Add : Provision for the year		(60.43)
Less: Provision written back	(10.93)	(218.88)
Less: Provision withdrawn against bad debts written off	-	-
Balance as at the end of the year	**(71.36)**	**(60.43)**

Cash and cash equivalents

The Company holds cash and bank balances of INR 226.92 Lakhs as at 31 March 2024 (31 March 2023: INR 23.94 Lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables

This balance is constituted by security deposit given in relation to leasehold premises occupied by the Company for carrying out its operations and loan to employees. The Company does not expect any losses from non-performance by these counter-parties.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities as of 31 March 2024

		Contractual cash flows				
	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	87.30	87.30	87.30	-	-	-
Other financial liabilities	15.23	15.23	15.23	-	-	-
	102.53	**102.53**	**102.53**	**-**	**-**	**-**

The table below provides details regarding the contractual maturities of financial liabilities as of 31 March 2023

		Contractual cash flows				
	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	148.83	148.83	148.83	-	-	-
Other financial liabilities	19.79	19.79	19.79	-	-	-
	168.62	**168.62**	**168.62**	**-**	**-**	**-**

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

34 Ratios Analysis

Ratios	Numerator	Denominator	31 March 2024	31 March 2023	Variance	Variance %
Current ratio	Current assets	Current liabilities	3.22	0.97	2.26	233%
Return on equity	Profit / (loss) attributable to Owners of the Company	Shareholder's equity	0.20	0.11	0.09	88%
Trade receivable turnover ratio	Net credit sales = Gross credit sales - sales return	Average trade receivable	3.97	3.37	0.60	18%
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	2.05	(120.75)	122.79	-102%
Net profit percentage	Net profit	Net sales = Total sales - sales return	0.14	0.04	0.10	228%
Return on capital employed	Earnings before interest and taxes	Capital employed = Tangible net worth + total debt + deferred tax liability	0.42	0.12	0.30	263%

Explanation for variance in ratio greater than 25% in comparison to the previous year

Current ratio : The variance in ratio can be attributable to improved profitability during the current financial year vis-à-vis previous year

Return on equity : The variance in ratio can be attributable to improved profitability during the current financial year vis-à-vis previous year

Net Capital Turn over ratio : The variance in ratio can be attributable to improved net current assets position during the current period under audit vis-à-vis previous year

Net profit percentage : The variance in ratio can be attributable to improved profitability during the current financial year vis-à-vis previous year

Return on capital employed : The variance in ratio can be attributable to improved profitability during the current period under audit vis-à-vis previous year and nil debt as on balance sheet date of the current year.

35 Other Statutory Information

Benami property
The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

Borrowings on the basis of current assets
a) The Company has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.
b) The quarterly returns/statements of current assets filed by the Company with banks or financial institutions in relation to secured borrowings wherever applicable, are in agreement with the books of accounts.
Threre are no outstanding borrowings from financial institutions during the year.

Relationship with struck off companies
The Company does not have any transactions with struck off Companies.

Undisclosed income
The Company has no transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Crypto transactions
The Company has not traded or invested in crypto currency or virtual currency during March 31, 2024 and March 31, 2023.

Disclosure on funding transactions
There are no funds that 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 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

There are no funds that have been received by the company from any person(s) 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.

Subsequent events
There are no significant subsequent events that have occurred after the reporting period till the date of this financial statements.

Wilful defaulter
The Company is not declared as wilful defaulter by any bank of financial institution or other lender.

36 Audit Trail
The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with.

As per our report of even date attached

for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : 24 May 2024

for and on behalf of the board of directors of
Flexol Packaging (India) Limited

S Ravichandran
Director
DIN : 01485845

Place : Chennai
Date : 24 May 2024

B Subramanian
Director
DIN : 08270940

Place : Chennai
Date : 24 May 2024

SPC International India Private limited

FY 2023-24

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SPC INTERNATIONAL (INDIA) PRIVATE LIMITED (FORMERLY KNOWN AS ENOVATEK TECHNOLOGY SERVICES PRIVATE LIMITED)

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of SPC INTERNATIONAL (INDIA) PRIVATE LIMITED (FORMERLY KNOWN AS ENOVATEK TECHNOLOGY SERVICES PRIVATE LIMITED) ("the Company"), which comprise the balance sheet as at March 31, 2024, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('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 March 31, 2024, its Profits ,cash flows and changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing 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 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

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

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

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

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also

responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 balance sheet, the statement of profit and loss, the cash flow statement and Statement of changes in equity dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, reporting on the same is not applicable to the company.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

a. The Company does not have any pending litigations which would impact its financial position;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

d. Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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(is), 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.

e. Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and

f. Based on the audit procedures adopted by us, nothing has come to our notice that has caused us to believe that the representations made by the Management under sub clause (a) and (b) above, contain any material misstatement.

(h) The company has not declared any dividend in the current financial year or in the previous financial year.

(i) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

FOR **B.P.JAYARAMA IYER & Co**,
Chartered Accountants
Firm Reg. No. 001304S

(N.SEKAR)
PARTNER
Membership No. 019439
Place: Bengaluru
Dated: 06-05-2024
UDIN: 224019439BKJQCB9522

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ANNEXURE(A) REFERRED TO IN PARAGRAPH 1 OF INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF M/s. SPC INTERNATIONAL (INDIA) PRIVATE LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2024.

In terms of Companies (Auditor's Report) Order 2020, issued by the Central Government of India, in terms of section 143(11) of The Companies Act, 2013, we further report, on the matters specified in paragraph 3 and 4 of the said Order, that :-

1) A)
   - (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
   - (b) The company does not have any intangible assets. Therefore, this clause is not applicable.

   B) The Property, Plant & Equipment have been physically verified by the management at reasonable intervals.

   C) The Company does not have any immovable properties. Therefore, this clause is not applicable

   D) The company has not revalued its Property, Plant & Equipment or Intangible assets or both during the year.

   E) No proceedings have been initiated against the company for holding benami property under The Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

2)
   A) Physical verification of inventory has been conducted at reasonable intervals by management. In our opinion, the coverage and procedure by the management is appropriate. The aggregate of discrepancies of 10% or more in each class of inventory noticed have been properly dealt with in the books of account.

   B) Based on our audit procedures & according to the information and explanation given to us, the Company has not been sanctioned loan in excess of five crore rupees from banks or financial institution on the basis of security of current assets and hence the question of filing quarterly returns or statements by the company with such banks or financial institutions does not arise. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.

3) Based on our audit procedures & according to the information and explanation given to us, the Company has not 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. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

4) The company has not given any loans or guarantees/made any investments within the meaning of sections 185 & 186 of The Companies Act, 2013.

5) The company has not accepted any deposits from the public in terms of Section 73 to 76 or any other relevant provisions of the Companies Act,2013.

6) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the products manufactured by the company.

7)

A) According to the information and explanations given to us and the records of the Company examined by us, except for a few delays, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities.

B) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) as at 31 March 2024, which have not been deposited with the appropriate authorities on account of any dispute.

8) 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.

9)

A) Based on our audit procedures and as per the information and explanations given by the management, the Company has not taken any loan during the year and hence has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender,

B) The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

C) According to the information and explanations given to us and the records of the Company examined by us, there were no term loans taken by the Company and hence the question of the amount of loan so diverted and the purpose for which it is used does not arise. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.

D) According to the information and explanations given to us and the records of the Company examined by us, there were no funds raised on short term basis by the Company. Accordingly, paragraph 3(ix)(d) of the Order is not applicable to the Company.

E) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture and hence the question of the Company taking loan from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies does not arise. 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 does not have any subsidiary, associate or joint venture and hence the question of the Company raising any loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies does not arise. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

10)

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.

11)

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.

12) 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.

13) 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 Related Party Disclosures (Ind AS 24)

14)

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) The reports of the Internal Auditors for the period under audit has been considered.

15) 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.

16)
   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, none of the group companies are Core Investment Company (CIC) and hence the question of number of CICs which are part of the Group does not arise. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable to the Company.

17) 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.

18) There has not been any resignation of the statutory auditors during the year.

19) 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 Board of Directors and 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.

20)

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.

21) The Company does not have any subsidiary, associate or joint venture and hence there is no consolidated financial statements prepared and hence the question of whether there have been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements does not arise. Accordingly, paragraph 3(xxi) of the Order is not applicable to the Company.

FOR **B.P.JAYARAMA IYER & Co**,
Chartered Accountants
Firm Reg. No. 001304S

(N.SEKAR)
PARTNER
Membership No. 019439
Place: Bengaluru
Dated: 06-05-2024
UDIN: 24019439BKJQCB9522

Annexure -B

Other Regulatory Information

With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

i) The company does not have any pending litigations which would impact its financial position, except a few cases challenging land acquisitions, which are pending disposal, the financial impact if any, cannot be quantified at this stage.

ii) The company does not have any long-term contracts requiring a provision for material foreseeable losses.

iii) The company does not have any amounts required to be transferred to the Investor Education and Protection Fund.

iv) The company has not advanced any funds 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 other than those disclosed in the notes to accounts.

v) The company has not received any funds 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 other than those disclosed in the notes to accounts

vi) The company has not declared or paid any dividend during the year.

FOR **B.P.JAYARAMA IYER & Co**,
Chartered Accountants
Firm Reg. No. 001304S

(N.SEKAR)
PARTNER
Membership No. 019439
Place: Bengaluru
Dated: 06-05-2024
UDIN: 24019439BKJQCB9522

SPC International India Private limited
CIN:U72501KA2008PTC048570
4/11,Hosur Main Road, Near Oxford College,Bommanahalli,Bangalore-560068
Balance sheet as at 31 March 2024
(All amounts are in Rupees in crores except share data and otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	15A	0.66	0.55
Capital work-in-progress	15B	-	-
Goodwill	16A	-	-
Other Intangible assets	16A	-	-
Intangibles under development	15B	-	-
Right-of-use assets	16B	0.42	1.29
Equity accounted investees	17	-	-
Financial assets			
Investments	19	-	-
Trade receivables	21	-	-
Loans	22	-	-
Other bank balances	28	-	-
Deposits and other receivables	23	0.33	0.65
Other financial assets	24	-	-
Non current tax assets (net)	25	-	-
Deferred tax assets (net)	14	0.24	0.23
Other non current assets	26	-	-
Total non - current assets		**1.65**	**2.71**
Current Assets			
Inventories	20	3.98	3.58
Financial assets			
Investments	19	-	-
Trade receivables	21	5.98	5.09
Cash and cash equivalents	27	2.60	1.29
Other bank balances	28	2.54	2.94
Loans	22	-	-
Deposits and other receivables	23	0.48	0.34
Other financial assets	24	0.00	0.00
Current tax assets (net)	25	0.71	0.33
Other current assets	29	1.91	1.27
Total current assets		18.20	14.84
Assets classified as held for sale		-	-
Subtotal		**18.20**	**14.84**
Total Assets		**19.85**	**17.55**

EQUITY AND LIABILITIES			
Equity			
Share capital	30	0.51	0.51
Other Equity		14.77	12.50
Reserves of a disposal group held for sale		-	-
Equity attibutable to equity holders of the parent		**15.28**	**13.01**
Non controlling interest	18	-	-
Total Equity		**15.28**	**13.01**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	32	-	-
Lease liability	16B	0.06	0.48
Other financial liabilities	36	-	-
Provisions	34	-	-
Deferred tax liabilities (net)	14	-	-
Non current tax liabilities (net)	25		
Other non current liabilities	37	-	-
Deferred Income	33	-	-
Total Non-current liabilities		**0.06**	**0.48**
Current liabilities			
Financial Liabilities			
Borrowings	32	-	-
Lease liability	16B	0.43	0.97
Trade payables			
-Total outstanding dues of micro enterprises and small enterprises	35	0.46	0.23
-Total outstanding dues of creditors other than micro enterprises and small enterprises	35	1.65	1.26
Other financial liabilities	36	-	-
Provisions	34	0.63	0.30
Current tax liabilities (net)	25	1.00	0.75
Other current liabilities	38	0.33	0.53
Deferred Income	33	-	-
Total current liabilities		4.51	4.06
Liabilities directly associated with assets classified as held for sale		-	-
Subtotal		**4.51**	**4.06**
Total liabilities		**4.57**	**4.54**
Total Equity and liabilities		**19.85**	**17.55**

For B.P. Jayarama Iyer & Co
Chartered Accountants
FRN 001304S

For and behalf of the Board

N.Sekar
Partner
M.N. 019439
Place: Bengaluru
Date: 06-05-2024

Fernando Pugnaire Luengo
Director
DIN:10042797

S.Subramanian
Director
DIN:07826275

SPC International India Private limited
CIN:U72501KA2008PTC048570
4/11,Hosur Main Road, Near Oxford College,Bommanahalli,Bangalore-560068
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts are in Rupees in crores except share data and otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Continuing Operations			
Revenue from operations	6	22.42	22.08
Other income	7	0.15	0.16
Total income		**22.58**	**22.25**
Expenses			
Freight, clearing, forwarding and handling charges		0.14	0.22
Sub-contracting costs and casual labour charges		0.79	0.77
Cost of materials consumed	8	12.71	11.68
Purchase of stock in trade	9A	-	-
Change in inventory of stock in trade	9B	(0.59)	0.02
Employee benefits expense	10	3.88	3.99
Finance costs	11	0.10	0.19
Depreciation and amortization expense	12	1.07	0.98
Other expenses	13	1.21	1.14
Total expenses		**19.31**	**18.98**
Profit/(loss) before exceptional items, share of profit of equity accounted investees and income tax from continuing operations		**3.26**	**3.27**
Exceptional items		-	-
Share of profit / (loss) of equity accounted investees (net of tax)	17	-	-
Profit/ (loss) before tax from continuing operations		**3.26**	**3.27**
Income tax expense			
Current Tax		1.00	0.75
Deferred tax (expense/(credit))	14	(0.01)	(0.04)
Total tax expenses		**0.99**	**0.71**
Profit / (loss) from continuing operations		**2.27**	**2.56**
Discontinued operation			
Profit / (loss) from discontinued operation		-	-
Tax expense of discontinued operation		-	-
Profit / (loss) from discontinued operations		**-**	**-**
Profit/(Loss) for the period		**2.27**	**2.56**

Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		-	-
Equity investments through other comprehensive income - net change in fair value			
Income tax relating to items that will not be reclassified to profit or loss	14	-	-
Net other comprehensive income not to be reclassified to profit or loss		**-**	**-**
Items that will be reclassified subsequently to profit or loss			
Income-tax relating to items that will be reclassified to profit or loss	14	-	-
Net other comprehensive income to be reclassified subsequently to profit or loss		**-**	**-**
Other comprehensive income for the period, net of tax		**-**	**-**
Total comprehensive income for the period		**2.27**	**2.56**
Profit/(Loss) attributable to :			
Owners of the Company			
Non-controlling interests	18	-	-
Profit/(Loss) for the period		-	-
Other comprehensive income attributable to :			
Owners of the Company			
Non-controlling interests	**18**	-	-
Other comprehensive income for the period		-	-
Total comprehensive income attributable to :			
Owners of the Company		-	-
Non-controlling interests		-	-
Total comprehensive income for the period		-	-
Earnings/(loss) per share			
Basic (INR)			
Diluted (INR)	29		

For B.P. Jayarama Iyer & Co
Chartered Accountants
FRN 001304S

For and behalf of the Board

N.Sekar
Partner
M.N. 019439
Place: Bengaluru
Date:06-05-2024

Fernando Pugnaire Luengo
Director
DIN:10042797

S.Subramanian
Director
DIN:07826275

Statement of changes in equity for the year ended 31 March 2024

(All amounts are in Rupees in crores except share data and otherwise stated)

B Other equity	Equity Share Capital	Attributable to owners of the Company													Attributable to Non controlling interest	Total
				Reserves and Surplus						Items of OCI				Total		
		Copmulsorily convertible non-cummulative	Equity component of convertible debentures	Securities premium reserve	Capital Redemption Reserve	General reserve	Retained earnings	Reserves of a disposal group held for sale	Other reserves	Exchange differences on translation of foreign	Effective portion of cas flow hedge	Equity/ Debt instruments through OCI	Other items of OCI	attributable to the owners of the Company		
Balance as at 01 April 2023	0.51	-	-	-	-	-	12.50		-	-	-	-	-	12.50	-	12.50
Changes in accounting policy														-		-
Changes due to prior period errors														-		-
Restated balance as at 01 April 2023	0.51	-	-	-	-	-	12.50	-	-	-	-	-	-	12.50	-	12.50
Total comprehensive income for the year ended 31 March 2024																
Profit / (loss) for the period							2.27							2.27		2.27
Other comprehensive income (net of tax)														-		-
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**2.27**	**-**	**-**	**-**	**-**	**-**	**-**	**2.27**	**-**	**2.27**
Changes in equity share capital														-		-
Transactions with owners recorded directly in equity														-		-
Contributions by and distribution to owners														-		-
Issue of equity shares for cash														-		-
Issue of equity shares persuant to business combination														-		-
Dividends														-		-
Dividend distribution tax														-		-
Share based payments														-		-
Share options excercised														-		-
Amount transferred between the reserves														-		-
Expenses incurred in connection with issue of shares														-		-
Conversion of quasi-equity loan from holding company to share capital														-		-
Total contributions by and distributions to owners (A)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Changes in ownership interests in subsidiaries that do not result in loss of control																
Acquisition of non-controlling interests														-		-
Impact of forward obligations/ options for acquisition of minority interest														-		-
Total changes in ownership interests in subsidiaries (B)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total transactions with owners (A+B)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 31 March 2024	**0.51**	**-**	**-**	**-**	**-**	**-**	**14.77**	**-**	**-**	**-**	**-**	**-**	**-**	**14.77**	**-**	**14.77**

Balance as at 01 April 2022	0.51						9.94							9.94		9.94
Changes in accounting policy														-		-
Changes due to prior period errors														-		-
Restated balance as at 01 April 2022	0.51	-	-	-	-	-	9.94	-	-	-	-	-	-	9.94	-	9.94
Total comprehensive income for the year ended 31 March 2023														-		
Profit / (loss) for the period							2.56							2.56		**2.56**
Other comprehensive income (net of tax)														-		-
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**2.56**	**-**	**-**	**-**	**-**	**-**	**-**	**2.56**	**-**	**2.56**
																-
Changes in equity share capital														-		-
Transactions with owners recorded directly in equity														-		
Contributions by and distribution to owners														-		
Issue of equity shares for cash														-		-
Issue of equity shares persuant to business combination														-		-
Dividends														-		-
Dividend distribution tax														-		-
Share based payments														-		-
Share options excercised														-		-
Amount transferred between the reserves														-		-
Expenses incurred in connection with issue of shares														-		-
Total contributions by and distributions to owners (A)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
																-
Changes in ownership interests in subsidiaries that do not result in loss of control																**-**
Acquisition of non-controlling interests														-		-
Impact of forward obligations/ options for acquisition of minority interest														-		-
Total changes in ownership interests in subsidiaries (B)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total transactions with owners (A+B)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 31 March 2023	**0.51**	**-**	**-**	**-**	**-**	**-**	**12.50**	**-**	**-**	**-**	**-**	**-**	**-**	**12.50**	**-**	**12.50**

SPC International India Private limited
CIN:U72501KA2008PTC048570
4/11,Hosur Main Road, Near Oxford College,Bommanahalli,Bangalore-560068
Consolidated statement of cash flows for the year ended 31 March 2024
(All amounts are in Rupees in crores except share data and otherwise stated)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from/ (used in) operating activities			
Profit/ (loss) before tax from continuing operations.		3.26	3.27
Profit/ (loss) before tax from discontinuing operations.			
Adjustments for:			
Depreciation of property, plant and equipment		0.15	0.11
Amortisation of intangibles			
Amortisation of ROU assets		0.91	0.86
(Reversal of)/ impairment loss on property, plant and equipment and intangible assets		0.00	0.01
Finance costs of Lease Obligation		0.10	0.19
Interest income		(0.15)	(0.12)
Operating profit/ (loss) before changes in opeating assets		**4.28**	**4.32**
Change in operating assets and liabilities			
(Increase) / decrease in inventories		(0.40)	(0.88)
(Increase) / decrease in trade receivables		(0.90)	(0.56)
(Increase) / decrease in other current and non-current, financial and non-financial assets		(0.88)	1.18
Increase / (decrease) in trade payables		0.62	(1.00)
Increase / (decrease) in provisions		0.33	0.06
Increase / (decrease) in other current and non-current financial and non-financial liabilities		(0.20)	0.00
Cash generated from operating activities		**2.84**	**3.12**
Income taxes paid, net of refunds		(0.71)	(0.33)
Net cash from/ (used in) operating activities		**2.13**	**2.79**
Cashflows from/(used in) investing activities			
Investment in bank deposits having an original maturity of more than three months		0.40	(1.40)
Interest received		0.15	0.12
Acquisition of property, plant and equipment		(0.27)	(0.06)
Net cash from/ (Used in) investing activities		**0.28**	**(1.33)**
Cash flows from/ (Used in) financing activities			
Payment of principal and interest payments of lease liability		(1.11)	(0.98)
Net cash from/ (used in) financing activities		**(1.11)**	**(0.98)**
Net increase/ (decrease) in cash and cash equivalents		**1.30**	**0.47**
Cash and cash equivalents as at the beginning of the period		1.29	0.82
Effects of exchange rate changes on cash and cash equivalents			
Cash and cash equivalents as the end of the period	**27**	**2.60**	**1.29**

* Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management

Chartered Accountants
FRN 001304S

N.Sekar	**Fernando Pugnaire Luengo**	**S.Subramanian**
Partner	**Director**	**Director**
M.N. 019439	**DIN:10042797**	**DIN:07826275**
Place: Bengaluru		
Date: 06-05-2024		

1 Reporting entity

SPC international India Pvt Ltd was a 100 % subsidiary of SPC International U.K till the entire shareholidings were transferred to TVS Logistics Services Limited on 13th November 2017. The said transfers have been approved by the company and registered the transfers at its Board Meeting held on 13th of November, 2017. The actual share transfers were recorded on 24th January 2018. The company is into service, refurbishment of ATM Parts for NCR the ATM manufacterer . Other activities include the refurbishment, repair of cash dispensors for Delhi Metro Rail Corporation . The company is the sole Authorised Service provider for Crane Payment Innovation a Geneva based Multinational the manufacturer of payment solutions equipments like bill and coin validators, cash dispensors etc

2 Basis of preparation

A Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the reporting requirements

The Company's consolidated financial statements up to and for the year ended 31 March 2024 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act

These financial statements were authorised for issue by the Company's Board of Directors on 06 May 2024.

Details of the accounting policies are included in Note 3.

B Functional and presentation currency

These financial statements are presented in Indian Rupees, which is also the Company's functional currency. All amounts have been rounded-off to the Crores, unless otherwise stated.

C Basis of measurement

These financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Contingent consideration in business combination	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit

D Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included wherever necessary.

Property, plant and equipment and intangible assets – useful lives

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at the end of each reporting period. The lives are based on historical experience with similar assets.

Provision for expected credit losses of trade receivables and contract assets:

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for Companyings of various customers that have similar loss patterns (i.e., by geography, customer type, rating etc.)

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered external credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

Assets and obligations relating to employee benefits

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a DCF model. The estimated cash flows are developed based on internal forecasts and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to Property, Plant and Equipment , Goodwill and Other intangibles with indefinite useful lives recognised by the Company. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed in Note 16A.

Lease classification, termination and renewal option of leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that the Company will continue the lease beyond non-cancellable period and whether 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 terminating the lease and the importance of the underlying asset to Company's operations taking in to account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no material changes are required to lease period relating to the existing lease contracts.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- Note 14 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 16A - Impairment testing for goodwill
- Note 36 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 43 – impairment of financial assets.

E Estimation of uncertainties relating to the global health pandemic from COVID-19

COVID-19 pandemic has affected several countries of the world, including India, resulting in significant volatility in financial markets and a significant decrease in global and India's economic activities. Consequent lockdowns and varying restrictions imposed by the Central and various State Governments, over a period of time depending on the severity of the outbreak, has led to significant disruptions and dislocations of individuals and business.

A detailed assessment has been carried out by the Group for each business segment with regards to impact on revenue, costs and other financial statement metrics. Impact due to any extended credit terms, cancelled orders, change in contractual terms, price concession request, onerous obligations etc. were comprehensively evaluated for any risk due to Covid-19 on revenue recognized and collectability thereof. No material impact has been noted in this impact assessment.

In assessing the recoverability of its assets including receivables, property, plant and equipment, intangibles, investments, goodwill etc., the Group has considered internal and external information up to the date of approval of these financial statements including economic forecasts. The Group has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. While the Group expects to address all challenges from the pandemic, it continues to monitor these matters and the estimates and judgements used in the preparation of these financial statements. Given the dynamic and evolving nature of this pandemic, these estimates are subject to uncertainties and may be affected by the severity and duration of the pandemic and consequential impact on the economy.

2 Basis of preparation (continued)

F Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 39A - Business combinations
- Note 43 – financial instruments

3 Material accounting policies

A Basis of consolidation

i. Business combinations

In accordance with Ind AS 103, the Company accounts for the business combinations using the acquisition method when control is transferred to the Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Acquisition related costs are expensed as incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree’s employees (acquiree’s awards), then all or a portion of the amount of the acquirer’s replacement awards is included in measuring the consideration transferred in the business combination. The determination of the amount to be included in consideration transferred is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree’s awards and the extent to which the replacement awards relate to pre-combination service.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

3 Material accounting polices (continued)

A Basis of consolidation (continued)

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii. Non-controlling interests (NCI)

An entity has a choice on a combination-by-combination basis to measure any NCI that represents present ownership interest in the acquiree at either fair value or the proportionate share of the acquiree's net identifiable assets. In respect of business combinations effected so far, the Group has elected one of the two approaches on a combination by combination basis.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iv. Loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

v. Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates and joint ventures.

When the Group has with other parties joint control of the arrangement and rights to the net assets of the joint arrangement, it recognises its interest as joint ventures. Joint control exists when the decisions about the relevant activities require unanimous consent of the parties sharing the control. When the Group has significant influence over the other entity, it recognises such interests as associates. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control over the entity.

The results, assets and liabilities of joint ventures and associates are incorporated in the consolidated financial statements using equity method of accounting after making necessary adjustments to achieve uniformity in application of accounting policies, wherever applicable.

An investment in joint venture or associate is initially recognised at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the joint venture or associate. Gain or loss in respect of changes in other equity of joint ventures or associates resulting in divestment or dilution of stake in the joint ventures and associates is recognised in the Statement of Profit and Loss. On acquisition of investment in a joint venture or associate, any excess of cost of investment over the fair value of the assets and liabilities of the joint venture and associate, is recognised as goodwill and is included in the carrying value of the investment in the joint venture and associate. The excess of fair value of assets and liabilities over the investment is recognised directly in equity as capital reserve. The unrealised profits/losses on transactions with joint ventures and associates are eliminated by reducing the carrying amount of investment. The carrying amount of investment in joint ventures and associates is reduced to recognise impairment, if any, when there is evidence of impairment.

When the Group's share of losses of a joint venture or an associate exceeds the Group's interest in that joint venture or associate (which includes any long term interests that, in substance, form part of the Group's net investment in the joint venture or associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate.

vi. Obtaining control over existing investment

The difference between the fair value of the initial interest as the date of obtaining control and its book value has been recognised in the statement of profit and loss.

vi. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

B Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective
- qualifying cash flow hedges to the extent that the hedges are effective.

3 Material accounting polices (continued)

C Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

− the asset is held within a business model whose objective is to hold assets 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.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments, such as forward currency contracts, interest rate/cross currency swaps etc to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability

3 Material accounting polices (continued)

C Financial instruments (continued)

For the purpose of hedge accounting, hedges are classified as:

(i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment

(ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

(iii) Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedge

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

(ii) Cash flow hedge

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company also may separate forward element and the spot element of a forward contract and designate as the hedging instrument only the change in the value of the spot element of a forward contract.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

When an entity separates the forward element and the spot element of a forward contract and designates as the hedging instrument only the change in the value of the spot element of the forward contract, such amount is recognised in OCI and accumulated as a separate component of equity under cost of hedging reserve. These amounts are reclassified to the statement of profit or loss account as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss or when the hedged item is a non-financial asset or non-financial liability, the amounts recognised in cost of hedging reserve are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(iii) Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit or loss (as a reclassification adjustment).

3 Material accounting polices (continued)

D Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Buildings	N.A
Plant and Machinery	15 years
Furniture and fixtures	10 years
Vehicles	N.A
Office equipment	5 years
Computer equipment	3 years
Leasehold improvements	N.A

* Leasehold improvements are amortised on a straight line basis over the useful life of the asset or the lease period whichever is lower.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from those prescribed in Schedule II of the Act.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

E Goodwill and other intangibles

i. Goodwill

For measurement of goodwill that arises on a business combination see note 5. Subsequent measurement is at cost less any accumulated impairment losses.

ii. Other intangible assets

Other intangible assets including those acquired by the Group in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

iii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iv. Amortisation

Goodwill is not amortised and is tested for impairment annually.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Patents and trademarks	5 years
Customer relationship and others	
Brands	
Computer software	3 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3 Material accounting polices (continued)

F Inventories

Inventories consist of packing materials, stores, stock in trade and spare parts and are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item by item basis.

G Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on

- financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is 'credit - impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12 month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward - looking information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets, 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. Goodwill is tested for impairment annually.

For impairment testing, assets that do not generate independent cash inflows are Companyed together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or Companys of CGUs that are expected to benefit from the synergies of the combination.

3 Material accounting polices (continued)

G Impairment (continued)

ii. Impairment of non-financial assets (continued)

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication 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. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

H Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, 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 amount of obligation can be estimated reliably.

(ii) Share-based payment transactions

Equity settled share based payment:

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an employee benefit expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Cash settled share based payment:

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

(iii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company and its subsidiaries in various geographies make contributions, generally determined as a specified percentage of employee salaries, in respect of qualifying employees in accordance with the local laws and regulations in the respective countries which are defined contribution plans. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

(iv) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

Past service costs are recognised in profit or loss on the earlier of:
(i) The date of the plan amendment or curtailment, and
(ii) The date that the Group recognises related restructuring costs
The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

3 Material accounting polices (continued)

H Employee benefits (continued)

(v) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

I Provisions (other than for employee benefits)

A provision is recognised 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 benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

i. Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract 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 such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

J Contingent liabilities and contingent assets

Contingent liability is disclosed for all:

- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)
- present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Company discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

K Revenue

i. Rendering of services

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Such revenue is recognised upon the Company's performance of its contractual obligations and on satisfying all the following conditions:

(1) Parties to the contract have approved the contract and undertaken to perform their respective obligations;

(2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the "Transfer");

(3) Such contract contains specific payment terms in relation to the Transfer;

(4) Such contract has a commercial nature, namely, it will change the risk, time distribution or amount of the Company's future cash flow;

(5) The Company is likely to recover the consideration it is entitled to for the Transfer to customers.

Revenue is recognised when no significant uncertainty exists regarding the collection of the consideration. The amount recognised as revenue is exclusive of all indirect taxes and net of returns and discounts.

Performance Obligations:

a) Transportation:

The Company's transportation segment generates revenue from providing freight and other transportation services for its customers. Certain accessorial services may be provided to customers under their transportation contracts, such as unloading and other incidental services. The transaction price is based on the consideration specified in the customer's contract. A performance obligation is created when a customer under a transportation contract submits a shipment note for the transport of goods from origin to destination. These performance obligations are satisfied over the period as the shipments move from origin to destination and revenue is recognized proportionally as a shipment moves and the related costs are recognized as incurred. Performance obligations are short-term, with transit days less than one week. Generally, customers are billed either upon shipment of the freight or on a monthly basis, and remit payment according to approved payment terms. The Company recognizes revenue on a net basis when the Company does not control the specific services.

b) Supply chain management

The Company's supply chain management segment generates revenue from services to its customers such as warehousing, packaging, kitting, reverse logistics and inventory management contracts ranging from a few months to a few years. The Company's performance obligations are satisfied over time as customers simultaneously receive and consume the benefits of the Company's services. The contracts contain a single performance obligation, as the distinct services provided remain substantially the same over time and possess the same pattern of transfer. The transaction price is based on the consideration specified in the contract with the customer and contains fixed and variable consideration. In general, the fixed component of a contract represents amounts for facility and equipment costs incurred to satisfy the performance obligation and is recognized over the term of the contract.

3 Material accounting polices (continued)

K Revenue (continued)

c) Telecommunication:

Telecommunication contract revenue arises from construction/ erection of towers for some of the Company's customers in the Telecommunications segment. These towers are constructed based on specifically negotiated contracts with customers by outsourcing the activities to sub-contractors. Transaction price includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. If the outcome of a contract can be estimated reliably, contract revenue is recognised in profit or loss over the period in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed (output method). Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognised as expenses as incurred unless they create an asset related to future contract activity. An expected loss on a contract is recognised immediately in profit or loss.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

d) Integrated logistics:

In respect of contracts where the Company provides a significant service of integrating two or more goods or services into a combined output (that is the specified good or service for which the customer contracted) and the inputs to the combined output is controlled by the Company, the Company controls that specified good or service before it is transferred to the customer. Revenues from such contracts are recognized upon substantial fulfilment of obligations under the contract.

e) Commission:

When the Company acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of revenue earned by the Company.

f) Sale of products

Revenue from sale of traded goods including telecommunication goods is recognised when the control of the same is transferred to the customer, generally on delivery of the goods and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated . In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Variable consideration:

Generally, the Company's contracts contain provisions for adjustments to pricing based on achieving agreed-upon performance metrics, changes in volumes, services and market conditions. Revenue relating to these pricing adjustments is estimated and included in the consideration if it is probable that a significant revenue reversal will not occur in the future. The estimate of variable consideration is determined either by the expected value or most likely amount method and factors in current, past and forecasted experience with the customer. Customers are billed based on terms specified in the revenue contract and remit payment according to approved payment terms.

Contract balances:

a) Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

3 Material accounting polices (continued)

L Leases

Group as a Lessor:

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Group as lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are subject to impairment (refer note 3 (G) (ii)).

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(iv) Date of commencement of leases acquired under business combinations

The Group measures the lease liability at the present value of the remaining lease payments as at the acquisition date as if the acquired lease were a new lease as at that date. The Right-of-use asset is measured at the same amount as the lease liability plus or minus any asset or liability previously recognised in the original business combination accounting for the favourable or unfavourable lease terms.

(v) Key matters involving significant judgement

(a) Determining the lease term of contracts with termination options – Group as lessee

As per Ind AS 116, termination options are to be considered in determining the non-cancellable period. The period covered by the termination option is included if the lessee is not reasonably certain to exercise the option. Lease term is the non-cancellable period of a lease, together with any optional periods that the lessee is reasonably certain to use. The non-cancellable period of a lease is any period during which the lessee cannot terminate the contract. Consequently, any non-cancellable period in effect sets a minimum lease term. This is usually referred as "lock-in" period in the lease contract. Generally, the lease contracts are cancellable once the "lock-in" period is over, and, in most cases, the termination option is mutually available with minimum notice period requirements under the contract.

In general, since Group has made significant investments in each of the warehouse in the form of leasehold improvements, racking equipment etc. and the termination would lead to additional expenses (losses) for dismantling and would lead to business disruption, the management in general has concluded that there is economic disincentive for the Group to discontinue / terminate any arrangement. Accordingly, applying Para B34 of Ind AS 116, except for specific cases, the Group concludes that non-cancellable period generally includes the lease period covered by the option to terminate.

3 Material accounting polices (continued)

(b) Determining the lease term of contracts with renewal options – Group as lessee

As per Ind AS 116, the period covered by extension option is included if the lessee is reasonably certain to exercise the option.

As reasonable certainty is a high threshold, the group believes in most leases where the lease term is greater than 3 years assuming reasonable certainty on lease commencement date may not be appropriate and must be evaluated on a case to case basis, considering factors such as investment in the property, renewal lease rates, specific modifications to property to meet customer requirements, importance of the location and impact on overall business disruption etc.

M Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

N Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on 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 at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Uncertainty over Income Tax Treatment

Tax treatment of an item is considered as uncertain when there is uncertainty whether the relevant taxation authority will accept the tax treatment of that item or not.

If there is uncertainty over tax treatment of an item:

1. An entity should determine an approach or method that predicts the resolution of the uncertainty. Based on the approach, the entity shall determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments.
2. It shall assess whether it is probable that the taxation authority will accept the uncertain tax treatment, assuming that the authority has full right to examine the treatment and has full knowledge of all related information.
3. If it is probable that the taxation authority will accept the tax treatment, there will be no impact on the amount of taxable profits/losses, tax bases, unused tax losses/credits and tax rates. In viceversa case, the entity shall show the effect of the uncertainty for each uncertain tax treatment on amount of related aforesaid items by using either the most likely outcome or the expected outcome of the uncertainty.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3 Material accounting polices (continued)

O Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

P Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

Q Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

R Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

S Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Key managerial personnel comprising the Managing Director and Deputy Managing Director assess the financial performance and position of the Group, and make strategic decisions and have been together identified as being the chief operating decision maker ('CODM').

T Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

U Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

V Changes in accounting policies and disclosures

New and amended standards and interpretations:

(i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the financial statements of the Group.

(ii) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest

- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued

- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

(iii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS .includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the financial statements of the Group.

(iv) Ind AS 103: Business combination

The amendment states 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 Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the financial statements of the Group.

(v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of “Recoverable amount” is amended such that the words “the higher of an asset’s fair value less costs to sell and its value in use” are replaced with “higher of an asset’s fair value less costs of disposal and its value in use”. The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Group.

SPC International India Private limited
Notes to the consolidated financial statements for the year ended 31 March 2024
(All amounts are in Rupees in crores except share data and otherwise stated)

4 Segment information
A Basis for segmentation
There are two geographical segments reported . The company is engaged in service, repair and refurbishement of ATM parts and cash dispensor parts

The following summary describes the operations in each of the Group's reportable segments:

	Reportable segments	**Operations**
B	India	Refurbishement and repair of ATM Parts and Cash dispensor machines
	Europe	Sale of spares
	Australia	Sale of spares

Year ended 31 March 2024	**Reportable segments**					
	India	**Europe**	**Australia/Asia**	**Total reportable segments**	**Eliminations**	**Total**
Segment revenue						
- External revenue	22.27	0.00	0.15	22.42	-	22.42
- Inter-segment revenue				-	-	-
Total segment revenue	**22.27**	**0.00**	**0.15**	**22.42**	**-**	**22.42**
Segment profit/ (loss) before income tax	**3.24**	0.00	0.02		**3.26**	**3.26**
Add:						
Other Income	0.15				**0.15**	**0.15**
Share of profit / (loss) of equity accounted investees					**-**	**-**
Exceptional Items						**-**
Less:						
Depreciation and amortisation	1.07				**1.07**	1.07
Finance cost	0.10				**0.10**	0.10
Share based payments						-
Loss on foreign currency transactions and translations						-
Profit/(loss) before tax from continuing operations	**3.24**					2.25
Profit/(loss) before tax from discontiuned operations						-
Segment assets	19.85			19.85		19.85
Segment assets include:						
Investments accounted for using equity method				-		**-**
Capital expenditure during the period				-		-
Segment liabilities	5			5		5

Year ended 31 March 2023	**Reportable segments**					
	India	**Europe**	**Australia/Asia**	**Total reportable segments**	**Eliminations**	**Total**
Segment revenue						
- External revenue	22.08	0.01		22.08	-	22.08
- Inter-segment revenue				-	-	-
Total segment revenue	**22.08**	**0.01**	**-**	**22.08**	**-**	**22.08**
Segment profit/ (loss) before income tax	**3.27**	**0.00**		3.27		3.27
Add:						
Other Income	0.12			0.12		0.12
Share of profit / (loss) of equity accounted investees						-
Exceptional Items						-
Less:						
Depreciation and amortisation	0.98			0.98		0.98
Finance cost	0.19			0.19		0.19
Share based payments						-
Loss on foreign currency transactions and translations						-
Profit/(loss) before tax from continuing operations	**3.27**					2.23
Profit/(loss) before tax from discontiuned operations						-
Segment assets	17.55			17.55		17.55
Segment assets include:						
Investments accounted for using equity method				-		-
Capital expenditure during the year				-		-
Segment liabilities	4.54			4.54		4.54

Reconciliation of profits

	31 March 2024	**31 March 2023**
Segment results	3.26	3.27
Other income	**0.15**	**0.12**
Finance Cost	**(0.10)**	**(0.19)**
Others		
Segment results before taxation from continuing operations	3.31	3.20

Reconciliation of assets

	31 March 2024	**31 March 2023**
Segment assets	19.85	17.55
Goodwill & other intangibles assets		
Investments		
Loans		
Deposits and other receivables	0.33	0.65
Trade receivables	5.98	5.09
Deferred tax assets (net)	0	0
Other current assets	1.91	1
Total assets	19.85	17.55

	31 March 2024	**31 March 2023**
Segment liabilities	4.57	4.54
Borrowings		
Other financial liabilities		
Trade payables	2.12	1.50
Deferred tax liabilities (net)		
Other current liabilites	0.33	0.53
Total liabilities	7.02	6.57

C Gegraphical information

The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets have been based on the geographical location of the assets.

Revenue from operations	31 March 2024	31 March 2023
India	**22.27**	**22.08**
Rest of world *	**0.16**	**0.01**
	22.42	**22.08**

* Revenue from rest of the world is as per below

	31 March 2024	31 March 2023
Europe	0.00	0.01
Asia-Pacific	0.15	
North America		
	0.16	**0.01**

Non current assets	31 March 2024	31 March 2023
India	1.08	1.83
Rest of world *		
	1.08	**1.83**

* Non current assets from rest of the world is as per below

	31 March 2024	31 March 2023
Europe		
Asia-Pacific		
North America		
	-	-

Non-current assets exclude financial instruments, deferred tax assets, tax assets and post-employment benefit assets.

D Major customer - Revenue from customers that individually accounted for more than 10% of the revenues

	31 March 2024	31 March 2023
NCR CORPORATION INDIA PRIVATE LIMITED	21.96	21.17
CRANE PAYMENT INNOVATIONS	0.21	0.24
Delhi Metro Rail Corporation Limited	0.53	0.48

E Information about services rendered by the group

Revenue	31 March 2024	31 March 2023
Others- Refurbishment	21.75	20.83
Sale of spares	0.68	1.26
	22.42	**22.08**

5 Acquisition of subsidiary and non-controlling interests

Acquisition of subsidiary	Not Applicable

(All amounts are in Rupees in crores except share data and otherwise stated)

6	**Revenue from operations**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Sale of products	-	-
	Sale of services		
	Income from logistics services	22.36	22.02
		22.36	**22.02**
	Other operating revenue		
	Scrap sales	0.06	0.06
		0.06	**0.06**
	Total	**22.42**	**22.08**

7	**Other income**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Interest income under the effective interest method on items carried at amortised cost:		
	Deposits with banks	0.15	0.12
	Other non operating income	-	0.04
		0.15	**0.16**

8 Cost of materials consumed

	Year ended 31 March 2024	Year ended 31 March 2023
Inventory at the beginning of the period	3.56	2.65
Add : Purchases	12.53	12.58
Less : Inventory at the end of the period	(3.37)	(3.56)
Cost of materials consumed	**12.71**	**11.68**

9A Purchase of stock in trade

	Year ended 31 March 2024	Year ended 31 March 2023
Purchase of stock in trade	-	-
	-	**-**

9B Change in inventory of stock-in-trade

	Year ended 31 March 2024	Year ended 31 March 2023
Opening inventory	0.02	0.04
Closing inventory	(0.61)	(0.02)
	(0.59)	**0.02**

10 Employee benefits expense

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	3.53	3.57
Contribution to provident and other funds	0.22	0.23
Expenses related to post-employment defined benefit plans	-	0.07
Staff welfare expenses	0.13	0.11
Employee Trainings Expenses	-	0.01
	3.88	**3.99**

11 Finance costs

	Year ended 31 March 2024	Year ended 31 March 2023
Interest on Lease Liabilities	0.10	0.19
	0.10	**0.19**

12 Depreciation and amortization expense

	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of property, plant and equipment	0.15	0.11
Depreciation of right-of-use assets	0.91	0.86
	1.07	**0.98**

13	Other expenses	Year ended 31 March 2024	Year ended 31 March 2023
	Consumption of stores and spares	0.04	0.05
	Power and fuel	0.12	0.12
	Rates and taxes	0.04	0.01
	Insurance	0.10	0.08
	Repairs and maintenance		
	Plant and machinery	-	-
	Buildings	-	-
	Others	0.15	0.11
	Travelling and conveyance	0.10	0.13
	Communication costs	0.07	0.08
	Printing and stationery	0.02	0.02
	Bank charges	0.03	0.03
	Legal and professional fees	0.14	0.15
	Security expenses	0.18	0.17
	Payment to auditors	0.06	0.05
	Loss (gain) on foreign currency transactions and translations	0.01	(0.01)
	Provision for warranties	0.00	(0.00)
	Provision for doubtful debts	-	(0.00)
	Loss on sale of property plant and equipments, net	(0.02)	0.01
	Miscellaneous expenses	0.18	0.15
		1.21	**1.14**
		-	-

SPC International India Private limited
Notes to the consolidated financial statements for the year ended 31 March 2024
(All amounts are in Rupees in crores except share data and otherwise stated)

14 Income tax expense

A

Amounts recognised in profit or loss	Year ended 31 March 2024	Year ended 31 March 2023
Current tax (a)		
Current tax on profits for the period from continuing operations	1.00	0.75
	1.00	**0.75**
Deferred tax (b)		
Attributable to origination and reversal of temporary differences	0.01	0.01
Attributable to IND AS 116 Impact adjustments	(0.02)	(0.04)
	(0.01)	**(0.04)**
Tax expense (a+b)	**0.99**	**0.71**

B Income tax recognised in other comprehensive income

	Year ended 31 March 2024			Year ended 31 March 2023		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Remeasurement of defined benefit lia	-	-	-	-	-	-
	-	-	-	-	-	-

C

Reconciliation of effective tax rate	Year ended 31 March 2024	Year ended 31 March 2023
Profit before share of profit of equity accounted investee and income tax	**3.26**	**3.27**
Income tax expense at tax rates applicable to individual entities	**0.82**	**0.82**
Effect of :		
Impact of change in tax rates		
Permanent disallowances		
Income not subject to tax/ taxable at different rates	**(0.00)**	**(0.08)**
Change in previously unrecognised tax losses / temporary differences	**(0.01)**	**(0.04)**
Items / current year losses for which no deferred tax asset was recognised		
Expenses not deductible for tax purposes	**0.21**	
Ind AS116 Impact	**(0.02)**	**0.02**
Deffered tax on undistributed reserves		
Others-Difference in Depreciation between companies Act & IT	**(0.01)**	**(0.01)**
Income tax expense as per statement of profit and loss	**0.99**	**0.71**

D Recognised deferred tax assets and liabilities

a. Deferred tax assets and liabilities are attributable to the following :

Deferred tax liabilities (net)	**31 March 2024**	**31 March 2023**
Provision for employee benefits	-	-
Deferred tax assets	-	-
Plant, property and equipment	-	-
Deferred tax liabilities	-	-
Net Deferred tax liabilities	-	-

14 Income tax expense (continued)

Deferred tax assets (net)	31 March 2024	31 March 2023
Property, plant and equipment	0.07	0.08
Provision for employee benefits	0.17	0.15
Deferred tax assets	**0.24**	**0.23**
Property, plant and equipment	-	-
Deferred tax liabilities	**-**	**-**
Net Deferred tax assets	**0.24**	**0.23**

E Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits there from:

Particulars	31 March 2024		31 March 2023	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Deductible temporary differences				
Tax losses				
Tax credit				
	-	-	-	-

F Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

	31 March 2024	Expiry date	31 March 2023	Expiry date
Expiry within 5 years				
Expiry within 5-10 years				
Never expire				
	-		-	

(All amounts are in Rupees in crores except share data and otherwise stated)

14 Income tax expense (continued)
D. Recognised deferred tax assets and liabilities (continued)
b. Movement in deferred tax assets and liabilities

	Balance as at 01 April 2022	Recognised in Profit & Loss	Recognised in Other comprehensive income	Currency translation adjustment	Total Other Comprehensive Income	Balance as at 31 March 2023	Recognised in Profit & Loss	Recognised in Other comprehensive income	Currency translation adjustment	Total Other Comprehensive Income	Balance as at 31 March 2024
Deferred tax liabilities (net)											
Provision for employee benefits	-	-	-	-	-	-				-	-
Deferred tax assets	-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-
Net Deferred tax liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Deferred tax assets (net)											
Property, plant and equipment	0.09	(0.01)			-	0.08	(0.01)			-	0.07
Right of use asset and liability	0.10	0.04			-	0.15	0.02			-	0.17
					-					-	
Deferred tax assets	0.19	0.04	-	-	-	0.23	0.01	-	-	-	0.24
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-
Prepaid expense					-	-				-	-
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-
Net Deferred tax assets	**0.19**	**0.04**	**-**	**-**	**-**	**0.23**	**0.01**	**-**	**-**	**-**	**0.24**
Net amount recognised in statement of profit and loss / other comprehensive income		**(0.04)**	**-**		**-**		**(0.01)**	**-**		**-**	

SPC International India Private limited

Notes to the consolidated financial statements for the year ended 31 March 2024

(All amounts are in Rupees in crores except share data and otherwise stated)

15A Property, plant and equipment

A Reconciliation of carrying amount

	Land	Building	Plant and equipment	Furniture and fixtures	Computer equipment	Leasehold improvements	Office equipment	Vehicles	Total
Gross carrying amount									
Balance at 01 April 2022			0.75	0.68	0.27	0.07	0.02		1.80
Additions on acquisitions									-
Other additions			0.01	0.04	0.01	-	0.00		0.06
Reclassifications to assets held for sale									-
Disposals			(0.01)	(0.03)	(0.01)	-	(0.00)		(0.05)
Exchange differences on translation of foreign operations									-
Balance at 31 March 2023	**-**	**-**	**0.74**	**0.69**	**0.27**	**0.07**	**0.02**	**-**	**1.81**
Balance at 01 April 2023	-	-	0.74	0.69	0.27	0.07	0.02	-	1.81
Additions on acquisitions									-
Other additions			0.03	0.10	0.14		0.00		0.27
Reclassifications to assets held for sale									-
Disposals			(0.00)	(0.03)	(0.07)				(0.10)
Exchange differences on translation of foreign operations									-
Balance at 31 March 2024	**-**	**-**	**0.77**	**0.77**	**0.35**	**0.07**	**0.02**	**-**	**1.98**
Accumulated depreciation and Impairment losses									
Balance at 01 April 2022			0.34	0.54	0.26	0.01	0.03		1.19
On account of acquisitions									-
Depreciation for the year			0.06	0.04	0.01	-	0.00		0.11
Disposals			(0.01)	(0.03)	(0.01)	-	(0.00)		(0.04)
Exchange differences on translation of foreign operations									-
Balance at 31 March 2023	**-**	**-**	**0.40**	**0.56**	**0.27**	**0.01**	**0.03**	**-**	**1.26**
Balance at 01 April 2023	-	-	0.40	0.56	0.27	0.01	0.03	-	1.26
On account of acquisitions									-
Depreciation for the period			0.05	0.03	0.05	0.01	0.02		0.15
Disposals			(0.00)	(0.01)	(0.09)				(0.10)
Exchange differences on translation of foreign operations									-
Balance at 31 March 2024	**-**	**-**	**0.44**	**0.57**	**0.23**	**0.02**	**0.05**	**-**	**1.31**
Carrying amounts (net)									
As at 31 March 2023	**-**	**-**	**0.35**	**0.14**	**0.01**	**0.06**	**(0.01)**	**-**	**0.55**
As at 31 March 2024	**-**	**-**	**0.32**	**0.19**	**0.12**	**0.05**	**(0.03)**	**-**	**0.66**

B Impairment loss and subsequent reversal

NIL

C Plant and equipment and vehicles held under finance lease

The Company has acquired certain plant and equipment and vehicles under finance lease arrangements. The gross and net carrying amounts of such assets acquired under leases included in the above reconciliation are as follows:

	31 March 2024	31 March 2023
Cost/deemed cost		
Accumulated depreciation		
Net carrying amount	-	-

B Security

NIL

C Capital work-in-progress

NIL

D Reclassification to investment property

NIL

E

NIL

The effect of change in estimates is as follows :

	2021-22	2022-23	2023-24	2024-25	2025-26	Later years
(Decrease) / Increase in depreciaton expense						

F Title deeds of immovable properties not held in the name of the company **NA**

15B Capital work-in-progress & Intangible assets under development **NIL**

(All amounts are in Rupees in crores except share data and otherwise stated)

16A Intangible assets

a Reconciliation of carrying amount

	Goodwill	Patents & trade marks	Brand	Restraint on shareholders' clause	Customer relationship & others	Computer software	Others (Specify)	Total (Excluding Goodwill)
Gross carrying amount								
Balance as at 01 April 2022		0.96				0.18		**1.13**
Additions on acquisitions								-
Other additions								-
Disposals								-
Exchange differences on translation of foreign operations								-
Balance at 31 March 2023	**-**	**0.96**	**-**	**-**	**-**	**0.18**	**-**	**1.13**
Balance at 01 April 2023	**-**	**0.96**	**-**	**-**	**-**	**0.18**	**-**	**1.13**
Additions on acquisitions								-
Other additions								**-**
Disposals						(0.02)		**(0.02)**
Exchange differences on translation of foreign operations								-
Balance at 31 March 2024	**-**	**0.96**	**-**	**-**	**-**	**0.16**	**-**	**1.12**
Accumulated amortization and impairment loss								
Balance as at 01 April 2022		0.96				0.18		1.13
On account of acquisitions								-
Amortization for the year								-
Disposals during the year								-
Exchange differences on translation of foreign operations								-
Balance at 31 March 2023	**-**	**0.96**	**-**	**-**	**-**	**0.18**	**-**	**1.13**
Balance at 01 April 2023	**-**	**0.96**	**-**	**-**	**-**	**0.18**	**-**	**1.13**
On account of acquisitions								-
Amortization for the period								-
Disposals during the period						(0.02)		(0.02)
Exchange differences on translation of foreign operations								-
Balance at 31 March 2024	**-**	**0.96**	**-**	**-**	**-**	**0.16**	**-**	**1.12**
Carrying amounts (net)								
At 31 March 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
At 31 March 2024	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

b Impairment loss and subsequent reversal NIL

(All amounts are in Rupees in crores except share data and otherwise stated)

16B Right of use assets

a ***[Description of leases]***

b ***Set out below are the carrying amounts of right of use assets recognised and the movements during the period***

	Land	Building	Plant and equipment	Furniture and fixtures	Computer equipment	Office equipment	Vehicles	Total
Net carrying amount								
Balance as at 01 April 2022		2.06						**2.06**
Additions		0.09						0.09
Reversals *(less)*		-						-
Depreciation *(less)*		(0.86)						(0.86)
Exchange differences on translation of foreign operations								-
Balance as at 31 March 2023	**-**	**1.29**	**-**	**-**	**-**	**-**	**-**	**1.29**
Additions		0.04						0.04
Reversals *(less)*								-
Depreciation *(less)*		(0.91)						(0.91)
Exchange differences on translation of foreign operations								-
Balance as at 31 March 2024	-	0.42	-	-	-	-	-	0.42

c ***Set out below are the carrying amounts of lease liabilities and the movement during the period***

	31 March 2024	31 March 2023
Balance at the beginning of the period	1.46	2.16
Additions	0.04	0.09
Accretion of interest	0.10	0.19
Payments	(1.11)	(0.98)
Reversals		
Exchange differences on translation of foreign operations		
Balance at the end of the period	0.49	1.46
Current	0.43	0.97
Non - Current	0.06	0.48
Cash outflows for leases	1.11	0.98

d ***The following are recongnised in the statement of profit and loss***

	31 March 2024	31 March 2023
Depreciation expenses of right of use assets	0.91	0.86
Interest expenses on lease liabilities	0.10	0.19
Gain on termination of lease	-	-
Expenses relating to short term leases and leases of low value assets	-	-
Total amount recognised in profit or loss	1.02	1.05

e **Sale & lease back**

	31 March 2024	31 March 2023
[Reason for sale and lease back]		
Net sale proceeds from sale and lease back		
Net book value of property sold and leased back		
Present value of lease liability		
Rights transferred to the buyer		
Gain on sale and lease back recognised		
Right of use assets recognised		

17 Equity accounted investees Not Applicable

18 A. Non-controlling interests Not Applicable

(All amounts are in Rupees in crores except share data and otherwise stated)

19 Investments

		31 March 2024	31 March 2023
A	**Non-current investments**		
	Quoted debt securities	-	-
	Unquoted debt securities	-	-
	Unquoted investment in debentures carried at amortised cost	-	-
	Quoted equity shares	-	-
	Unquoted investment in preference shares carried at amortised cost	-	-
	Unquoted equity shares	-	-
	Unquoted investments in preference shares Carried at amortised cost	-	-
	Investment in equity instruments	-	-
		-	-

		31 March 2024	31 March 2023
B	**Current investments**		
	Quoted debt securities	-	-
	Quoted investment in mutual funds	-	-
	Unquoted investment in debentures carried at amortised cost	-	-
	Unquoted debt securities	-	-
	Securities at FVTPL	-	-
		-	-
D	**Equity shares designated as at fair value through other comprehensive income**	-	-

		31 March 2024	31 March 2023
20	**Inventories**		
	Packing materials	3.37	3.56
	Stock in trade	-	-
	Finished goods	0.61	0.02
	Stores and spares	-	-
		3.98	**3.58**
	Of the above, goods in transit	-	-

21 Trade receivables	31 March 2024	31 March 2023
Gross trade receivables		
Secured, considered good	-	-
Unsecured, considered good from related parties	-	-
Unsecured, considered good from intercompanies	0.23	-
Unsecured, considered good from others	5.76	5.09
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables - credit impaired	-	-
	5.98	5.09
Loss allowance		
Unsecured, considered good	-	-
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables - credit impaired	-	-
	-	-
Net trade receivables	**5.98**	**5.09**
Non-current	-	-
Current	5.98	5.09

Of the above, trade receivables from related parties are as below :	31 March 2024	31 March 2023
Trade receivables	0.23	-
Loss allowance		
Net trade receivables	**0.23**	**-**

Ageing of Current trade receivables from the due date of payment:

31 March 2024	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Secured, considered good							
Undisputed, external	-	-	-	-	-	-	**-**
	-	-	-	-	-	-	**-**
Unsecured, considered good							
Undisputed, external	2.78	2.97	-	-	-	-	**5.76**
Disputed, external							**-**
Intercompany	0.14	0.09	-	-	-	-	**0.23**
	2.92	3.06	-	-	-	-	**5.98**
Total	**2.92**	**3.06**	**-**	**-**	**-**	**-**	**5.98**

31 March 2023	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Secured, considered good							
Undisputed, external							**-**
Disputed, external							**-**
Intercompany							**-**
	-	-	-	-	-	-	**-**
Unsecured, considered good							
Undisputed, external	4.10	0.99					**5.09**
	4.10	0.99	-	-	-	-	**5.09**
Total	**4.10**	**0.99**	**-**	**-**	**-**	**-**	**5.09**

21 A Transferred financial assets that are derecognised in their entirety and with continuing involvement

The Company has not transferred certain receivables under non-recourse arrangements where substantial risk and rewards related to these receivables are transferred to the buyer and the same is de-recognised from the Group's balance sheet.

21 B Transferred financial assets that are not derecognised in their entirety

During the year, the Company has not entered into a recourse factoring and the Company has not transferred substantially all risks and rewards, hence these assets have not been de-recognised in its entirety.

22 Loans	**Non-current**		**Current**	
	31 March 2024	**31 March 2023**	**31 March 2024**	**31 March 2023**
Loan to related parties	-	-	-	-
	-	-	-	-
Loss allowance	-	-	-	-
	-	-	-	-
	-	-	-	-
Loan to others (specify nature)	-	-	-	-
	-	-	-	-
Loss allowance	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-

23 Deposits and other receivables

	Non-current		**Current**	
	31 March 2024	**31 March 2023**	**31 March 2024**	**31 March 2023**
Security deposits				
Unsecured considered good	0.33	0.65	0.40	0.26
	0.33	**0.65**	**0.40**	**0.26**
Security deposits to related parties	-	-	-	-
	-	-	-	-
Other receivables				
Loans and advances to employees	-	-	0.08	0.08
Finance lease receivables	-	-	-	-
Receivable from subsidiaries	-	-	-	-
Receivable from others				
Unsecured, considered good	-	-	-	-
Unsecured, credit impaired	-	-	-	-
Provision for credit impaired receivables	-	-	-	-
Other receivables - Input tax receivable	-	-	-	-
	0.33	**0.65**	**0.48**	**0.34**

24 Other financial assets

	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Advances recoverable in cash or kind	-	-	-	-
	-	-	-	-
Interest accrued on Fixed deposits	-	-	0.00	0.00
	-	**-**	**0.00**	**0.00**

25 Tax assets net

	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Tax assets				
Advance tax	-	-	0.71	0.33
Tax liability				
Provision for tax	-	-	-	-
	-	**-**	**0.71**	**0.33**

26 Other non current assets

	31 March 2024	31 March 2023
Prepaid expenses	-	-
Balance with statutory and government authorities	-	-
	-	-
Advance for supply of goods and services		
Unsecured, considered good	-	-
Unsecured considered doubtful	-	-
Provision for doubtful	-	-
	-	-
Capital advances	-	-
	-	-
Others	-	-
	-	**-**

27 Cash and cash equivalents

	31 March 2024	31 March 2023
Cash and cheques on hand		
Cash on hand	0.01	0.02
Cheques on hand	-	-
	0.01	**0.02**
Balance with banks		
On current accounts	0.59	0.77
Deposits with original maturity of less than three months	2.00	0.50
	2.59	**1.27**
	2.60	**1.29**

28 Other bank balances

	31 March 2024	31 March 2023
Deposits with original maturity of more than 3 months	2.54	2.94
Margin money deposited with banks	-	-
	2.54	**2.94**
Current	2.54	2.94
Non-Current	-	-

29 Other current assets

	31 March 2024	31 March 2023
Advance related to supply of goods and services to parties other than related parties		
Unsecured, considered good	0.46	0.35
Unsecured, considered doubtful	-	-
Provision for doubtful	-	-
Advance related to supply of goods and services to related parties	-	-
Balance with statutory authorities	-	-
Unbilled revenue	1.38	0.85
Other current assets		
Prepayment	0.07	0.08
	1.91	**1.27**

30A Share capital

	31 March 2024	31 March 2023
Authorised share capital	1.00	1.00
Issued, subscribed and paid up	0.51	0.51
	0.51	**0.51**

a. Reconciliation of shares outstanding at the beginning and at end of the reporting period

	31 March 2024		31 March 2023	
	Nos	in LC	Nos	in LC
Equity shares				
At the beginning of the period	51,000.00	0.51	51,000.00	0.51
Changes in equity share capital due to prior period errors				
Restated balance at the beginning of the period	51,000.00	0.51	51,000.00	0.51
Outstanding at the end of the period	**51,000**	**0.51**	**51,000**	**0.51**
Issued and subscribed share capital				

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.100/- per share. Each holder of equity shares is entitled to one vote per share

c. Terms/rights attached to preference shares NA

d. Shares of the company held by holding / ultimate holding company

Out of the equity shares issued by the Company, shares held by the holding company / enterprise having substantial interest are stated below:

	31 March 2024		31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Holding company	51,000.00	0.51	51,000.00	0.51
Ultimate holding company	-	-	-	-

e. Details of shareholders holding more than 5% shares in the company

	31 March 2024		31 March 2023	
	Number of shares	% holding	Number of shares	% holding
Equity shares				
TVS Supply Chain Solutions Limited	50,994.00	100%	50,994.00	100%
Preference shares	-	-	-	-

A. Dividends

	31 March 2024	31 March 2023
No dividends were declared or paid during the year ended 31 March 2024		

30C a. Other items of OCI

	31 March 2024	31 March 2023
Cost of hedging	-	-
Remeasurements of defined benefit liability/(asset) (net of taxes)	-	-
	-	-

C. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

32 Borrowings

	31 March 2024	31 March 2023
(a) Non-current borrowings		
Secured term loans from banks	-	-
Total non current borrowings	-	-
(b) Current borrowings	-	-
Total current borrowings	-	-

C. Breach of loan covenant	-	-

D. Convertible Debentures

	31 March 2024	31 March 2023
Proceeds from issue of convertible debentures	-	-
Transaction cost	-	-
Net proceeds	-	-
Amount classified as equity	-	-
Accured interest	-	-
'Carrying amount of liability as at 31 March 2024	-	-

E. Redeemable preference shares	31 March 2024	31 March 2023
Proceeds from issue of redeemable preference shares	-	-
Transaction cost	-	-
'Carrying amount of liability as at 31 March 2024	-	-

F. Finance lease obligations

Not applicable

33 Deferred Income

	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Billing in advance of work completed	-	-	-	-
	-	-	-	-

34 Provisions

	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Provisions for employee benefits	-	-	-	-
Other provisions	-	-	-	-
Provision for dilapidation	-	-	-	-
Provision for warranties	-	-	0.10	0.10
Provision for onerous contracts	-	-	-	-
Provision for litigations	-	-	0.53	0.21
Provision for statutory dues	-	-	-	-
	-	**-**	**0.63**	**0.30**

Movement in other provisions	Dilapidation	Warranties	Onerous contracts	Litigations	Others (specify)	Total
Balance as at 01 April 2023	**-**	**0.10**	**-**	**0.21**	**-**	0.30
Assumed in a business combination						-
Provisions made during the period		0.10		0.86		0.96
Provisions utilised during the period		(0.10)		(0.21)		(0.30)
Unwinding of discount						-
Exchange differences on translation of foreign operations						
Balance as at 31 March 2024	-	**0.10**	**-**	**0.86**	**-**	**0.96**

35 Trade payables

	31 March 2024	31 March 2023
Trade and other payables to related parties	-	-
Trade and other payables to intercompany	0.14	0.06
Other trade payables - services	0.60	0.19
Other trade payables - goods	0.91	1.01
Dues to micro & small enterprises	0.46	0.23
Duties and taxes payable	-	-
Labour welfare fund payable	-	-
	2.12	**1.50**

All trade payables are 'current'.

Ageing of trade payables from the due date of payment:

31 March 2024	Not due	< 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - MSME	0.46	-	-	-	-	0.46
Undisputed dues - Others	0.75	0.75	0.01			1.51
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Intercompany	0.08	0.06				0.14
	1.30	**0.80**	**0.01**	**-**	**-**	**2.12**

31 March 2023	Not due	< 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - MSME	0.23	-	-	-	-	0.23
Undisputed dues - Others	1.20	-	-	-	-	1.20
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Intercompany	0.06	-	-	-	-	0.06
	1.50	**-**	**-**	**-**	**-**	**1.50**

36 Other financial liabilities

	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Derivatives - Forward contract payables	-	-	-	-
	-	**-**	**-**	**-**

37 Other non current liabilities

	31 March 2024	31 March 2023
Unbilled rental payables	-	-
	-	-

38 Other current liabilities

	31 March 2024	31 March 2023
Statutory dues	0.33	0.53
	0.33	**0.53**

30 D. Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	31 March 2023	Cash flows	Unamortised transaction cost	Currency Translation Adjustment	Changes in fair values	31 March 2024
Current borrowings	-					-
Non- current borrowings	-					-
Total liabilities from financing activities	**-**	**-**	**-**	**-**	**-**	**-**

Particulars	01 April 2022	Cash flows	Unamortised transaction cost	Currency Translation Adjustment	Changes in fair values	31 March 2023
Current borrowings						-
Non- current borrowings						-
Total liabilities from financing activities	**-**	**-**	**-**	**-**	**-**	**-**

(All amounts are in Rupees in crores except share data and otherwise stated)

38A Employee benefits Not Applicable

(All amounts are in Rupees in crores except share data and otherwise stated)

43 Financial instruments - Fair values and risk management

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories were as follows:

		Carrying amount					
	Note	31 March 2024			31 March 2023		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets measured at fair value							
Quoted debt securities	19	-	-	-	-	-	-
Other financial assets	24	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**
Financial assets carried at amortised cost							
Investments	19	-	-	-	-	-	-
Loans	22	-	-	-			-
Deposits and other receivables	23	-	-	0.81	-	-	0.99
Trade receivables	21	-	-	5.98	-	-	5.09
Cash and cash equivalents	27	-	-	2.60	-	-	1.29
Other bank balances	28	-	-	2.54	-	-	2.94
Other financial assets	24	-	-	0.00	-	-	0.00
Total		**-**	**-**	**11.94**	**-**	**-**	**10.31**
Financial liabilities measured at fair value							
Derivatives - Forward contract payables	32	-	-	-	-	-	-
Written put option/ forward obligation liability	32	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value							
Borrowings	32	-	-	-	-	-	-
Lease liability	16B	-	-	0.49	-	-	1.46
Trade payables	35	-	-	2.12	-	-	1.50
Other financial liabilities	32	-	-	-	-	-	-
Total		**-**	**-**	**2.12**	**-**	**-**	**1.50**

43 Financial instruments - Fair values and risk management (continued)

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as described in note 3.

The following table presents fair value hierarchy of assets and liabilities measured at fair value:

(a) Financial assets and liabilities valued at fair value

Particulars	31 March 2024			31 March 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets:						
Investments - Quoted debt securities						
Other financial assets						
Liabilities:						
Derivatives - Forward contract payables						
Written put option/ forward obligation liability						

The Group has not disclosed fair values of other financial instruments such as investments, deposits and other receivables, trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables, other financial liabilities because their carrying amounts are reasonable approximations of their fair values.

C. Measurement of fair values

i. Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement

43 Financial instruments - Fair values and risk management (Continued)

Sensitivity analysis

For the fair values of written put option/ forward obligation liability, reasonable possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

Written put option/ forward obligation liability	**31 March 2024**		**31 March 2023**	
	Profit or (loss)		**Profit or (loss)**	
	Increase	**Decrease**	**Increase**	**Decrease**
EBITDA (1% movement)				
Risk adjusted interest rate (1% movement)				

(All amounts are in Rupees in crores except share data and otherwise stated)

43 Financial instruments - Fair values and risk management (continued)

D. Financial risk management

The Group has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework
The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers; loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Group's trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for financial assets are as follows:

	Carrying amount	
	31 March 2024	**31 March 2023**
Trade receivables	5.98	5.09
Investments	-	-
Cash and cash equivalents	2.60	1.29
Other bank balances	2.54	2.94
Loans	-	-
Deposits and other receivables	0.81	0.99
Other financial assets	0.00	0.00
Total	**11.94**	**10.31**

Trade and other receivables
The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. The impairment loss at the reporting dates relates to several customers that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Group determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available information about customers from internal/external sources. The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.

The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

43 Financial instruments - Fair values and risk management (continued)

Financial instruments - Fair values and risk management (continued)

D. Financial risk management (continued)
ii. Credit risk (contd.)

The ageing of trade receivables that were not impaired as at the reporting date was:

As at 31 March 2024

	Gross carrying amount	Weighted-average loss rate	Loss allowance
Not due	2.92	0.0%	
Past due 1-90 days	2.66	0.0%	
Past due 91-180 days	0.40	0.0%	
Past due 181-365 days	-	-	
Past due for more than 365 days	-	-	
Total	**5.98**		**-**

As at 31 March 2023

	Gross carrying amount	Weighted-average loss rate	Loss allowance
Not due	4.10	0.0%	
Past due 1-90 days	0.99	0.0%	
Past due 91-180 days	-	-	
Past due 181-365 days	-	-	
Past due for more than 365 days	-	-	
Total	**5.09**		**-**

Movements in the allowance for impairment in respect of trade receivables NIL

Cash and cash equivalents and other bank balances
The Group holds cash and bank balances of 260 lakhs as at 31st Mar 24 (31 March 2023: Rs. 129 lakhs) The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good

Deposits and other receivables, Investments and other financial assets
The Group holds deposits and other receivables, investments and other financial assets of Rs. 9.34 Crores (31 March 2023: Rs. 9.02 Crores). The credit worthiness of such parties are evaluated by the management on an ongoing basis and is considered to be good

D. Financial risk management (continued)
iii. Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

Exposure to liquidity risk
The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

		Contractual cash flows			
	Carrying amount	Total	1 year or less	1-5 years	More than 5 years
31 March 2024					
Non derivative financial liabilities	**-**	**-**	**-**	**-**	**-**
Others					
Trade payables	2.12	1.51	1.51		
Lease liability	0.49	0.49	0.43	0.06	
Other financial liabilities	-	-			
	2.61	**2.00**	**1.94**	**0.06**	**-**

(All amounts are in Rupees in crores except share data and otherwise stated)

43 Financial instruments - Fair values and risk management (continued)

iv. Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and equity prices will affect the Group and the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

Foreign exchange risk arises from a change in foreign currency exchange rate, which is expected to have an adverse effect on the Group in the current reporting period and in future years. The Group operates in several countries and subsidiary, associated and joint venture companies within the Group maintain their books and records in their respective functional currencies. The Group's accounting policy is to translate the results of overseas subsidiary companies using the weighted average exchange rates. Net assets denominated in foreign currencies and held at the financial year end are translated into the Group's reporting currency, at year end exchange rates. Fluctuations in the exchange rate between the functional currencies and reporting currency will therefore have an impact on the Group. It is the Group's policy not to hedge exposures arising from such translations. The Group's strategy is to fund overseas operations with borrowings denominated in their functional currencies as a natural hedge against overseas assets.

The Group is also exposed to the volatility in the foreign currency cash flows related to repatriation of the investments in and advances to its subsidiary companies. The Group does not hedge exposures arising from such risks.

Exposure to currency risk

The following table analyzes foreign currency risk from financial instruments as of 31 March 2024

Financial assets and liabilities	USD	Euro	GBP	SGD	AUD	THB	Others
Trade receivables					0.23		
Trade payables	0.64		0.20				
Net exposure in respect of recognised assets and liabilities	(0.64)	-	(0.20)	-	0.23	-	-

The following table analyzes foreign currency risk from financial instruments as of 31 March 2023

Financial assets and liabilities	USD	Euro	GBP	SGD	AUD	THB	Others
Trade receivables	0.04						
Trade payables	0.25		0.08				
Net exposure in respect of recognised assets and liabilities	(0.20)	-	(0.08)	-	-	-	-

Sensitivity analysis:

A reasonably possible strengthening (weakening) of the functional currency against the respective currencies noted above as at the reporting period would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or (loss)		Equity, net of tax	
	Weakening	**Strengthening**	**Weakening**	**Strengthening**
31 March 2024				
United States Dollar (1% movement)	(0.01)	0.01	-	-
Euro (1% movement)	-	-	-	-
Great Britain Pounds (1% movement)	(0.00)	0.00	-	-
Australian Dollar (1% movement)	-	-	-	-
Singapore Dollar (1% movement)	0.00	(0.00)		
Thailand Bhat (1% movement)	-	-	-	-
Others (1% movement)*	-	-	-	-
31 March 2023				
United States Dollar (1% movement)	(0.00)	0.00	-	-
Euro (1% movement)	-	-	-	-
Great Britain Pounds (1% movement)	(0.00)	0.00	-	-

*Others mainly include currencies such as Malaysian ringgit, Hong Kong dollar, Indonesian rupiah, South Korean won, New Taiwan dollar, Canadian dollar, and New Zealand dollar.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments is as follows:

	31 March 2024	31 March 2023
Variable rate instruments		
Financial liabilities		
- Term loans from banks	-	-

(All amounts are in Rupees in crores except share data and otherwise stated)

43 Financial instruments - Fair values and risk management (continued)

Fixed rate instruments		
Financial assets		
- Deposits with banks	-	-
Financial liabilities		
- Term loans from banks	-	-

iv. Market risk (continued)

Interest rate risk (continued)

Fair value sensitivity analysis for fixed rate instruments
A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (deposits with banks) are carried at amortised cost, any changes in interest rates are not considered for subsequent measurement.

Cash flow sensitivity analysis for variable rate instruments
A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	(Profit) or loss		**Equity**	
	100 bp decrease	**100 bp increase**	**100 bp decrease**	**100 bp increase**
31 March 2024				
Financial liabilities				
- Term loans from banks	-	-	-	-
Cash flow sensitivity (net)	**-**	**-**	**-**	**-**
31 March 2023				
Financial liabilities				
- Term loans from banks	-	-	-	-
Cash flow sensitivity (net)	**-**	**-**	**-**	**-**

39 Financial instruments - Fair values and risk management (continued)

v. Hedging activities and derivatives Not Applicable

40 Operating Lease

A. Finance leases as lessor Not Applicable

(All amounts are in Rupees in crores except share data and otherwise stated)

41 A. Contingent liabilities	**31 March 2024**	**31 March 2023**
a. Claims against the Group not acknowledged as debts	-	-
	-	-
b. Contingent liabilities relating to interest in Joint Venture		
c. Guarantees outstanding	12.16	12.16

B. Commitments	**31 March 2024**	**31 March 2023**
a. Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
b. Commitments relating to interest in Joint Venture	-	-

(All amounts are in Rupees in crores except share data and otherwise stated)

42 Related Party disclosures

i. Names of the related parties and nature of relationship where control exists

A. Holding Company/ Enterprise having substantial interest	TVS Supply Chain Solutions Limited
B. Subsidiaries of A	SPC International Limited SPC Intenational Inc SPC International S.R.O Rico Logistics Limited, Australia TVS-Asianics Supply Chain Solutions Pte. Limited, Singapore
C. Joint Ventures	NIL
D. Associates	NIL
E. Key management personnel	Fernando Pugnaire Subramanian Sankaranaryanan Venkatram C.S Ezer Senol

ii. Transactions during the period:	**Year ended 31 March 2024**	**Year ended 31 March 2023**
Income from logistics services		
SPC International S.R.O	0.00	0.01
Rico Logistics Limited, Australia	0.15	
TVS-Asianics Supply Chain Solutions Pte. Limited, Singapore	0.00	
Purchase of stock in trade		
SPC International Limited	0.55	0.82
SPC International S.R.O		0.05
Freight charges		
Company A		
Company B		
Other expenses / Please specify any other major nature of expenses if any		
TVS Supply Chain Solutions Limited-Lease Rent	0.04	0.03
TVS Supply Chain Solutions Limited-Flooring & Interior work reimbursement		0.00
Company C		
Loans given / received		
Company A		
Company B		
Remuneration to Key Managerial Personnel		
Short-term employee benefits	0.48	0.51

iii. Period end balances :	31 March 2024	31 March 2023
Payables		
SPC International Limited	0.14	0.06
TVS Supply Chain Solutions Limited-Lease Rent	0.00	
Receivables		
Rico Logistics Limited, Australia	0.23	
Loan payables		
Nil		
Payables to Key Managerial Personnel		
Nil		

43 **List of subsidiaries**

List of subsidiaries	Country of incorporation	Principal Activities	Equity Interest	
			31 March 2024	31 March 2023
Name of the subsidiary				
Nil				
Step-down subsidiaries				
Nil				

(All amounts are in Rupees in crores except share data and otherwise stated)

45 Utilisation of borrowings Not Applicable

46 Corporate social responsibility Not Applicable

47 Undisclosed income

No Undisclosed Income

48 Details of benami property held

NIL

45 Due to micro and small enterprises

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in these restated financial statements based on information received and available with the Company, to the extent identified by the management.

	31 March 2024	31 March 2023
The amounts remaining unpaid to micro and small suppliers as at end of the accounting period		
Principal	0.46	0.23
Interest due thereon	-	-
The amount of interest paid by the buyer as per the Micro and Small Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amount of payments made to the micro and small suppliers beyond the appointed day during each accounting period	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

46 Exceptional Items	**31 March 2024**	**31 March 2023**
NIL		

47 Subsequent events NIL

TVS Packaging Solutions Private Limited

FY 2023-24

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Independent Auditor's Report

The Members of TVS Packaging Solutions Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of TVS Packaging Solutions Private Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone financial statements including material accounting policies and other explanatory information (hereinafter referred to as "the 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 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA's") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Materiality Uncertainty Related to Going Concern

We draw attention to Note 2.1 to the financial statements, which more fully discusses the going concern related matter. The Company has incurred a net loss of Rs. 247,200 during the year ended March 31, 2024 with no cash flows during the year and the accumulated losses is Rs. 618,000. As stated in Note 2.1, these conditions, along with other matters as stated in the said note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The Management and

Board of Directors however believe that no adjustment would be required in respect of the carrying values of assets / liabilities. Accordingly, the financial statements have been prepared on a going concern basis. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the standalone financial statements and our auditor's report thereon.

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 in the audit or otherwise appears to be materially misstated.

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

Management and Board of Directors' Responsibilities for the Financial Statements

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

In preparing the standalone financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 scepticism 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 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 standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the 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.

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

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

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

Report on Other Legal and Regulatory Requirements

1. This report does not contain a statement on the matters specified in paragraphs 3 and 4 of Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act as, in our opinion, and according to the information and explanations given to us, the Order is not applicable in the case of this Company.

2. As required by section 143(3) of the Act, we report that:

   A)

   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, and the back-up of the books of account and other relevant books and papers in electronic mode has been kept on servers physically located in India on a daily basis.

   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 Ind AS specified under section 133 of the Act.

e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act.

f. The Company has been exempted from the requirements of its auditor reporting on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls (clause (i) of section 143(3)); and

B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - refer note 34 to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d.

1. The Management has represented that, to the best of its knowledge and belief, 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, 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.

2. The Management has represented that, to the best of its knowledge and belief, 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 directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement.

e. The Company has not declared or paid any dividend during the year.

f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has maintained its entire books of account manually. Hence the assessment and reporting responsibility under Rule 11(g) does not apply.

C) With respect to the matter to be included in the Auditor's Report under section 197(16), in our opinion and according to the information and explanations given to us, the provision of Section 197 of the Act is not applicable to the Company.

for **S K R and Company LLP**
Chartered Accountants
Firm's Registration No.: 012586S/S200003

Suneel Ananthanarayanan
Partner
Membership No.: 221636
ICAI UDIN: 24221636BJZYJJ4255

Place: Chennai
Date: May 20, 2024

TVS Packaging Solutions Private Limited
Balance Sheet as at March 31, 2024
(All amounts are in thousands of Indian Rupees except share data and otherwise as stated)

	Note	As at Mar 31, 2024	As at Mar 31, 2023
Assets			
Non-current assets			
Financial assets			
Investments	5	0.27	0.27
Total non-current assets		**0.27**	**0.27**
Current assets			
Financial assets			
Cash and cash equivalents	6	100.00	100.00
Total current assets		**100.00**	**100.00**
Total assets		**100.27**	**100.27**
Equity and liabilities			
Equity			
Equity share capital	7	100.00	100.00
Other equity		(618.00)	(370.80)
Total equity		**(518.00)**	**(270.80)**
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	8	618.27	371.07
Total current liabilities		**618.27**	**371.07**
Total equity and liabilities		**100.27**	**100.27**

Significant accounting policies 3
The notes referred to above form an integral part of these standalone financial statements

In terms of our report of even date attached

for **S K R and Company LLP**
Chartered Accountants
Firm's registration number: 012586S/S200003

Suneel Ananthanarayanan
Partner
Membership number: 221636

Place: Chennai
Date: May 20, 2024

For and on behalf of the Board of Directors of
TVS Packaging Solutions Private Limited
CIN: U74999TN2017PTC116321

S Ravichandran
Director
DIN: 01485845

H Janardana Iyer
Director
DIN: 02688787

TVS Packaging Solutions Private Limited
Statement of Profit and Loss for the year ended March 31, 2024
(All amounts are in thousands of Indian Rupees except share data and otherwise as stated)

	Note	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Revenue			
Revenue from operations		-	-
		-	-
Expenses			
Other expenses	9	247.20	11.80
Total expenses		**247.20**	**11.80**
Loss for the year		**(247.20)**	**(11.80)**
Other comprehensive income		-	-
Total comprehensive income for the year		**(247.20)**	**(11.80)**
Loss per equity share (EPS)			
Number of shares		10,000	10,000
Basic and diluted (Rs. per share)		(24.72)	(1.18)
Significant accounting policies	3		

The notes referred to above form an integral part of these standalone financial statements

In terms of our report of even date attached

for **S K R and Company LLP**
Chartered Accountants
Firm's registration number: 012586S/S200003

Suneel Ananthanarayanan
Partner
Membership number: 221636

Place: Chennai
Date: May 20, 2024

For and on behalf of the Board of Directors of
TVS Packaging Solutions Private Limited
CIN: U74999TN2017PTC116321

S Ravichandran
S Ravichandran
Director
DIN: 01485845

H Janardana Iyer
Director
DIN: 02688787

TVS Packaging Solutions Private Limited
Statement of audited financial results for the quarter and year ended March 31, 2024
(All amounts are in thousands of Indian Rupees except share data and otherwise as stated)

	Quarter ended			Year ended	
	31-Mar-24	31-Dec-23	31-Mar-23	31-Mar-24	31-Mar-23
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Revenue					
Revenue from operations	-	-	-	-	-
	-	-	-	-	-
Expenses					
Other expenses	168.73	78.47	11.80	247.20	11.80
Total expenses	**168.73**	**78.47**	**11.80**	**247.20**	**11.80**
Loss for the quarter	**(168.73)**	**(78.47)**	**(11.80)**	**(247.20)**	**(11.80)**
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the quarter	**(168.73)**	**(78.47)**	**(11.80)**	**(247.20)**	**(11.80)**
Loss per equity share (EPS)					
Number of shares	10,000	10,000	10,000	10,000	10,000
Basic and diluted (Rs. per share)	(16.87)	(7.85)	(1.18)	(24.72)	(1.18)

Significant accounting policies

The notes referred to above form an integral part of these standalone financial statements

In terms of our report of even date attached

for **S K R and Company LLP**
Chartered Accountants
Firm's registration number: 012586S/S200003

Suneel Ananthanarayanan
Partner
Membership number: 221636

Place: Chennai
Date: May 20, 2024

For and on behalf of the Board of Directors of
TVS Packaging Solutions Private Limited
CIN: U74999TN2017PTC116321

S Ravichandran
Director
DIN: 02688787

H Janardana Iyer
Director
DIN: 02688787

TVS Packaging Solutions Private Limited
Cash Flow Statement for the year ended March 31, 2024
(All amounts are in thousands of Indian Rupees except share data and otherwise as stated)

	Note	Year ended Mar 31, 2024	Year ended Mar 31, 2023
A. Cash flow from operating activities			
Loss for the year		(247.20)	(11.80)
Changes in operating assets and liabilities:			
Trade payables		247.20	11.80
Net cash generated from operating activities		-	-
B. Cash flow from Investing Activities		-	-
C. Cash flow from Financing Activities		-	-
Net increase/(decrease) in cash and cash equivalents during the year	**A+B+C**	-	-
Cash and cash equivalents at the beginning of the year		100.00	100.00
Cash and cash equivalents at the end of the year		**100.00**	**100.00**

Significant accounting policies 3

The notes referred to above form an integral part of these standalone financial statements

In terms of our report of even date attached

for **S K R and Company LLP**
Chartered Accountants
Firm's registration number: 012586S/S200003

Suneel Ananthanarayanan
Partner
Membership number: 221636

Place: Chennai
Date: May 20, 2024

For and on behalf of the Board of Directors of
TVS Packaging Solutions Private Limited
CIN: U74999TN2017PTC116321

S Ravichandran
Director
DIN: 01485845

H Janardana Iyer
Director
DIN: 02688787

TVS Packaging Solutions Private Limited
Statement of changes in equity for the year ended March 31, 2024
(All amounts are in thousands of Indian Rupees except share data and otherwise as stated)

(a) Equity share capital

Particulars	**No. of shares**	**Amount**
Equity shares of Rs. 10 each issued, subscribed and fully paid		
Balance as at April 1, 2022	**10,000**	**100.00**
Changes in equity share capital during the year	-	-
Balance as at March 31, 2023	**10,000**	**100.00**
Balance as at April 1, 2023	10,000	100.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2024	**10,000**	**100.00**

(b) Other equity

Particulars	**Retained earnings**	**Total other equity**
Balance as at April 1, 2022	(359.00)	(359.00)
Loss for the year ended March 31, 2023	(11.80)	(11.80)
Balance as at March 31, 2023	**(370.80)**	**(370.80)**
Balance as at April 1, 2023	(370.80)	(370.80)
Loss for the year ended March 31, 2024	(247.20)	(247.20)
Balance as at March 31, 2024	**(618.00)**	**(618.00)**

The notes referred to above form an integral part of the financial statements

In terms of our report of even date attached

for **S K R and Company LLP**
Chartered Accountants
Firm's registration number: 012586S/S200003

Suneel Ananthanarayanan
Partner
Membership number: 221636

Place: Chennai
Date: May 20, 2024

For and on behalf of the Board of Directors of
TVS Packaging Solutions Private Limited
CIN: U74999TN2017PTC116321

S Ravichandran
Director
DIN: 01485845

H Janardana Iyer
Director
DIN: 02688787

1. Reporting entity

TVS Packaging Solutions Private Limited ('TVSPSPL') having CIN: U74999TN2017PTC116321 is a Company incorporated on April 28, 2017. It has its place of business in Tamil Nadu, India.

2. Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Company has incurred a net loss of Rs.247.20 during the year ended March 31, 2024 with no cash flows during the year and the accumulated losses is Rs.618.00. The Company has not commenced the operations and is awaiting the business opportunity to start generating operating cash flows. These conditions indicate that a material uncertainity exists that may cast a significant doubt on the Company's ability to continue as a going concern. The Management and Board of Directors however believe that no adjustment would be required in respect of the carrying values of assets / liabilities. Accordingly, the financial statements have been prepared on a going concern basis.

These financial statements were authorised for issue by the Company's Board of Directors.

Details of the Company's accounting policies are included in Note 3.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is the Company's functional currency. All amounts have been rounded off and presented in thousands of Indian Rupees (Rs.), except share data and as stated.

2.3 Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain financial assets and liabilities which have been measured at fair value.

The material accounting policy information related to preparation of the standalone financial statements have been discussed in the respective notes.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3 Significant accounting policies

The accounting policies set out below have been applied in these financial statements.

3.1 Financial instruments

i. Recognition and initial measurement

Trade receivables is initially recognised when it is originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- Fair Value through Other Comprehensive Income (FVOCI) - equity investment; or
- Fair Value through Profit and Loss Account (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is to hold assets 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.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. However, see note 3.2 (v) for derivatives designated as hedging instruments.
These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.
These assets are subsequently measured at amortised cost using the effective interest method, except for investment forming part of interest in subsidiaries, which are measured at cost. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3 Significant accounting policies (contd.)

3.1 Financial instruments (contd.)

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.2 Impairment of financial instruments

In accordance with Ind AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit losses. For all other financial assets, ECL are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. Expected credit losses are a probability-weighted estimate of credit losses.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets.

3.3 Provisions (other than for employee benefits)

A provision is recognised 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 benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

3 Significant accounting policies (contd.)

3.4 Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.5 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on 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 at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.6 Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the

4 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

(All amounts are in thousands of Indian Rupees except share data and otherwise as stated)

	As at Mar 31, 2024	As at Mar 31, 2023
5 Investments		
Unquoted instruments		
Fellow Subsidiary Company at Cost		
5 (March 31, 2023: 5) equity shares of TVS Supply Chain Solutions Pte. Limited, Singapore	0.27	0.27
	0.27	**0.27**
Aggregate value of unquoted investments	0.27	0.27
6 Cash and cash equivalents		
Cash on hand	100.00	100.00
	100.00	**100.00**
7 Share capital		
a) The details of authorised, issued, subscribed and paid-up share capital is as under:		
Authorised		
10,000 equity shares of Rs.10 each	100.00	100.00
	100.00	**100.00**
Issued, subscribed and paid up		
10,000 equity shares of Rs.10 each	100.00	100.00
	100.00	**100.00**

b) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

	Mar 31, 2024		Mar 31, 2023	
	Number	**Amount**	**Number**	**Amount**
At the commencement of the year	10,000	100.00	10,000	100.00
Issued during the year	-	-	-	-
At the end of the year	**10,000**	**100.00**	**10,000**	**100.00**

c) Particulars of shareholders holding more than 5% of equity shares

	Mar 31, 2024		Mar 31, 2023	
	Number	**% of total shares**	**Number**	**% of total shares**
TVS Supply Chain Solutions Limited	9,999	100.00%	9,999	100.00%

	As at Mar 31, 2024	As at Mar 31, 2023
8 Trade payables		
Dues of micro and small enterprises (refer note 11)	-	-
Dues of other than micro and small enterprises	618.27	371.07
	618.27	**371.07**

Ageing of Trade payables from the due date of payment

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	**1 - 2 years**	**2- 3 years**	**More than 3 years**	**Total**
MSME	-	-	-	-	-
Others	11.80	247.47	111.80	-	371.07
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (others)	-	-	-	-	-
As at March 31, 2023	**11.80**	**247.47**	**111.80**	**-**	**371.07**
MSME	-	-	-	-	-
Others	247.20	11.80	247.47	111.80	618.27
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (others)	-	-	-	-	-
As at March 31, 2024	**247.20**	**11.80**	**247.47**	**111.80**	**618.27**

(All amounts are in thousands of Indian Rupees except share data and otherwise as stated)

	Year ended March 31, 2024	Year ended March 31, 2023
9 Other expenses		
Rent expense	200.00	-
Payment to auditors	47.20	11.80
	247.20	**11.80**

10 Related party disclosures

Related parties where control exists or with whom transactions have taken place during the period:

Key management personnel	Nature of relationship
Sargunaraj Ravichandran	Director
Harihara Iyer Janardana Iyer	Director
TVS Supply Chain Solutions Limited	Parent Company
TVS Supply Chain Solutions Pte. Limited, Singapore	Fellow Subsidiary Company

Balances with related parties:

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Trade payables		
Parent Company		
TVS Supply Chain Solutions Limited	618.27	371.07

11 Dues to micro and small suppliers

The Management has identified that there are no enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Such determination / identification has been done on the basis of information received and available with the Company and relied upon by the Auditors. The disclosure in respect of the amounts payable to such enterprises as at March 31, 2024 has been made in the financial statements based on information received and available with the Company.

Particulars	As at 31 March 2024	As at 31 March 2023
The following details relating to micro, small and medium enterprises shall be disclosed in the notes:		
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

(All amounts are in thousands of Indian Rupees except share data and otherwise as stated)

12 Analytical ratios

Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Variance	Remarks
Current ratio	0.16	0.27	-39.98%	Refer note (i)
Debt-equity ratio (times)	-	-	-	Not Applicable
Debt service coverage ratio (times)	-	-	-	Not Applicable
Return on equity (%)	(0.48)	(0.04)	-995.18%	Refer note (ii)
Inventory turnover ratio (times)	-	-	-	Not Applicable
Trade receivables turnover ratio (times)	-	-	-	Not Applicable
Trade payables turnover ratio (times)	-	-	-	Not Applicable
Net capital turnover ratio (times)	-	-	-	Not Applicable
Net profit ratio (%)	-	-	-	Not Applicable
Return on capital employed (%)	(0.48)	(0.04)	-995.18%	Refer note (ii)
Return on investments (%)	-	-	-	Not Applicable

Note:
(i) The variance is on account of increase in expenses therby increase in trade payables during the year as compared to last financial year.
(ii) The variance is due to increase in expenses and thereby increase in loss during the year as compared to last financial year.

Formula for above ratios:
(i) Current ratio - Current assets / Current liabilities
(ii) Debt-equity ration - Total debt / Shareholder's equity
(iii) Debt service coverage ratio - Earnings available for debt service / Debt service
(iv) Return on equity - Profit after tax / Average shareholders' equity
(v) Inventory turnover ration - Cost of goods sold / Average inventory
(vii) Trade payables turnover ratio - Net credit purchases / Average trade payables
(viii) Net capital turnover ratio - Net sales / Working capital
(ix) Net profit ratio - Net profit / Net sales
(x) Return on capital employed - Earnings before interest and tax / Shareholders' equity
(xi) Return on investments - Income generated from invested funds / Invested funds in treasury investments

13 Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.

(iii) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

(iv) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds 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, directly or indirectly lend or invest in other persons or entities identifiedin 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.

(v) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vi) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

(vii) The Company does not have any charges or satisfaction which are yet to be registered with the Registrar of Companies (RoC) beyond the statutory period.

(viii) Compliance with clause (87) of section 2 of the Act read with Companies (Restriction of number of layers) Rules, 2017 with respect to layer of Companies are not applicable to the Company.

(ix) There are no Scheme of Arrangements that has been approved by the Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.

(x) The Company has no borrowings from banks or financial institutions and the Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(xi) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lenders.

(xii) The Company does not have any borrowings from banks or financial institutions that are secured against current assets.

14 Contingent liabilities and capital commitments

There are no contingent liabilities and capital commitments as at the end of March 31, 2024 that have not been provided for.

for **S K R and Company LLP**
Chartered Accountants
Firm's registration number: 012586S/S200003

Suneel Ananthanarayanan
Membership number: 221636

Place: Chennai
Date: May 20, 2024

For and on behalf of the Board of Directors of
TVS Packaging Solutions Private Limited
CIN: U74999TN2017PTC116321

S Ravichandran
DIN: 01485845

H Janardana Iyer
DIN: 02688787

TVS SCS Global Freight Solutions Limited

FY 2023-24

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED, CHENNAI FOR THE YEAR ENDED 31[ST] MARCH 2024

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TVS SCS Global Freight Solutions Limited, Chennai ("the company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements gives the information required by the of the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and the profit, 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexure to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies

Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, 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 Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.

e. On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

   Managerial remuneration has been paid and provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 to financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts and as such no provision as required under the applicable law or accounting standards for material foreseeable losses is to be made.

   iii. There was no requirement on the part of the company to transfer any amount to the Investor Education and Protection fund.

   iv.

      a. The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      b. The management has further represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations (a) and (b) above contain any material mis-statement.

v. The dividend declared / paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

vi. Based on our examination, the Company, has used an accounting software "WiseCloud" which is operated by a third-party software service provider "WiseTech Global", for maintaining its books of account. According to the information and explanation provided to us and based on information and explanation provided by the third party and reports generated from the software and provided to us in respect of audit trail, and based on test check as considered appropriate, the accounting software has a feature of recording Audit Trail (Edit Log) and the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with.

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

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

K.S.Narayanaswamy
Partner
Membership No. 8593
Date : 07.05.2024
Place : Chennai
ICAI UDIN: 24008593BKGZWI4307

ANNEXURE "A"TO INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED, CHENNAI FOR THE YEAR ENDED 31ST MARCH 2024

Annexure A referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the year ended 31st March 2024.

i. (a) In our opinion and according to the information and explanation provided to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company has maintained proper records showing full particulars of Intangible Assets.

(b) In our opinion and according to the information and explanation provided to us, Property, Plant and Equipment are verified physically by the management in accordance with a regular program at reasonable intervals. In our opinion the interval is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not possess any Immovable Property and therefore the question of whether title deeds are held in the name of the Company does not arise.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year.

(e) According to the information and explanation provided to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) The Company does not have any inventory and hence the question of maintenance of records and physical verification does not arise.

(b) 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 and in our opinion and according to the information and explanation provided to us, the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

iii. The Company had granted short term unsecured loan of Rs. 11,600 Lakhs to its promoter holding company during the Financial Year 2023-24 which is repayable within one year or on demand. The Company has received repayment of Rs. 1,000 Lakhs during the year. The balance principal outstanding as on 31st March 2024 amounts to Rs. 10,600 Lakhs.

According to the information and explanations given to us and based on the audit procedures performed by us, the schedule of repayment of principal and payment of interest have been stipulated for loans and advances in the nature of loans, and the repayments of principal amount of loans and receipts of interest have been regular during the year.

According to the information and explanations given to us and based on the audit procedures performed by us, there is no amount overdue of loans and advances in the nature of loans granted by the Company.

According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investment made and the terms and conditions of the grant of loans are not prejudicial to the company's interest.

During the year, the company has not made investments in, provided any guarantee or security or granted any loan or advances in the nature of loans, secured or unsecured, to Companies, firms, Limited Liability Partnerships or any other parties other than what is stated above to firm, Limited Liability Partnerships or other parties.

iv. According to information and explanation given to us, the company has complied with the provisions of Section 185 & 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities wherever applicable.

v. According to information and explanation given to us, the company has not accepted any deposit or amount deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013, during the year.

vi. According to the information and explanations furnished to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under Section 148 of the Companies Act, 2013 are not applicable to the Company for the year under audit.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and any other statutory dues applicable to it.

(b) According to the information and explanation given to us, there are no undisputed amounts payable in respect of Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty and Cess which were in arrears as at 31.03.2024 for a period of more than six months from the date they became payable.

(c) According to information and explanations furnished to us, the following are the details of the disputed dues that were not deposited with the concerned authorities:

Forum Where Dispute is pending	**Rupees in Lakhs**
Commissioner of Central Excise	65.86
Commissioner (Appeals), GST	61.23
Commissioner of Income Tax (Appeals)	1.40

viii. According to the information and explanations given by the management and based on procedures carried out during the course of audit, we have not come across any transactions which were not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. In our opinion and according to information and explanation given to us,

(a) The company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to banks or financial institutions.

(b) The company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) The company has not availed any term loan during the year and therefore the question of reporting on whether the term loans were applied for the purpose for which they were obtained does not arise.

(d) The company has not utilized fund raised on short term basis for long term purposes.

(e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

(f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.

x. According to the information and explanation provided to us, the company has not raised any money by the way of initial public offer or further public offers including debt instruments. The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally convertible) under section 42 of the Companies Act, 2013. Hence, reporting requirements under clause 3(x) of the order is not applicable to the Company.

xi. Based on the audit procedures adopted and information and explanations furnished to us by the management, no fraud on or by the company has been noticed or reported during the year. Hence, the reporting requirement under clause 3(xi)(a) & (b) of the Order does not arise. As represented to us, no whistle-blower complaints were received by the company during the year.

xii. The Company is not a nidhi company. Therefore, reporting requirements under clause 3(xii) of the Order are not applicable to the company.

xiii. (a) In our opinion and according to the information and explanations furnished to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013.

(b) The details of transactions during the year have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards. Refer Note no 39 to financial statements.

xiv. In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business. We have considered the internal audit reports of the company for the period under audit.

xv. In our opinion and according to the information and explanations furnished to us, the company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Companies Act, 2013.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence the reporting requirement under clause 3(xvi) is not applicable to the Company.

xvii. The Company did not incur cash loss during the year or in the immediately preceding financial year.

xviii. There has been no resignation of the Statutory Auditors during the year and accordingly this clause is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. According to the information and explanation provided to us, the Company has fully spent the amount required to be spent towards Corporate Social Responsibility in accordance with Section 135 of the Companies Act, 2013 and accordingly there are no amounts remaining unspent in respect of ongoing project or other than ongoing project which are required to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013.

xxi. The Company is not required to present a Consolidated Financial Statement and hence reporting requirements under Clause 3(xxi) is not applicable to the company.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

K.S.Narayanaswamy
Partner
Membership No. 8593
Date : 07.05.2024
Place : Chennai
ICAI UDIN: 24008593BKGZWI4307

ANNEXURE "B" TO INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED, CHENNAI FOR THE YEAR ENDED 31ST MARCH 2024

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of TVS SCS Global Freight Solutions Limited, Chennai ("the Company") as of 31st March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (hereinafter "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

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;

I. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

II. 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

III. 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, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

K.S.Narayanaswamy
Partner
Membership No. 8593
Date : 07.05.2024
Place : Chennai
ICAI UDIN: 24008593BKGZWI4307

TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED
Balance sheet as at 31st March, 2024

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non Current Assets			
Property, plant and equipment	1	73.01	102.43
Capital Work in Progress	1A	6.49	-
Intangible assets	2	3.69	5.59
Right-of-use assets	3	378.27	518.28
Financial assets			
Investment	4	0.00	0.00
Other Financial assets	5	47.76	51.80
Deferred tax assets (net)	6	105.94	93.87
Other non-current assets	7	0.39	0.58
Total non-current assets		**615.55**	**772.55**
Current Assets			
Financial assets			
Investments	4	-	-
Trade receivables	8	11,660.52	7,552.57
Cash and cash equivalents	10	1,232.88	10,471.02
Other bank balances	11	3.00	3.00
Deposits and other receivables	12	11.85	16.64
Loans & Advances	13	10,600.00	-
Other Financial assets	5	-	0.20
Contract Assets	9	348.96	120.05
Other current assets	7	153.81	220.13
Total current assets		**24,011.02**	**18,383.61**
Total assets		**24,626.57**	**19,156.16**

As per our report of even date attached
For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

For and on behalf of Board of Directors of
TVS SCS Global Freight Solutions Limited

K S Narayanaswamy
Partner
Membership No. 8593
Place : Madurai
Date :
ICAI UDIN :

S Ravichandran
DIN 01485845
Director
Place: Chennai
Date:

Siddharth Jairaj
DIN 01754852
Whole Time Director
Place: Chennai
Date:

TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED
Balance sheet as at 31st March, 2024

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

	Note	As at 31 March 2024	As at 31 March 2023
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	120.00	120.00
Other Equity	15	18,301.16	14,053.04
Total equity		**18,421.16**	**14,173.04**
Liabilities			
Non Current liabilities			
Financial Liabilities			
(i) Lease Liability	3	280.43	428.62
Provisions	17	10.28	19.01
Total non-current liabilities		**290.71**	**447.63**
Current liabilities			
Financial Liabilities			
(i) Borrowings	16	1.00	0.86
(ii) Trade payables	18		
a) Dues of Micro and Small Enterprises		170.35	314.93
b) Dues to Others		5,021.40	3,571.27
(iii)Lease Liability	3	134.73	118.46
(iv) Others	19	187.46	231.44
Other current liabilities	20	118.70	92.70
Provisions	17	36.61	36.54
Current tax liabilities (Net)		244.45	169.29
Total Current Liabilities		**5,914.70**	**4,535.49**
Total Liabilities		**6,205.41**	**4,983.12**
Total Equity and Liabilities		**24,626.57**	**19,156.16**

As per our report of even date attached
For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

For and on behalf of Board of Directors of
TVS SCS Global Freight Solutions Limited

K S Narayanaswamy
Partner
Membership No. 8593
Place : Madurai
Date :
ICAI UDIN :

S Ravichandran
DIN 01485845
Director
Place: Chennai
Date:

Siddharth Jairaj
DIN 01754852
Whole Time Director
Place: Chennai
Date:

TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED

Statement of Profit and Loss for the Year ended 31st March, 2024

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

	Note	Year Ended 31 March 2024	Year Ended 31 March 2023
Revenue from operations	21	57,360.22	1,00,485.46
Other income	22	1,308.40	1,053.58
Total Revenue		**58,668.62**	**1,01,539.04**
Expenses			
Cost of Operation	23	48,621.64	90,931.74
Employee benefit expense	24	2,201.34	1,989.24
Finance costs	25	47.18	77.53
Depreciation and amortisation expense	1,2 & 3	173.43	221.80
Other expenses	26	1,583.22	1,819.38
Total expenses		**52,626.81**	**95,039.69**
Profit before tax		**6,041.81**	**6,499.35**
Income tax expenses			
Current tax	27	1,552.07	1,660.00
Deferred tax		(8.63)	(3.37)
Income tax expense		**1,543.44**	**1,656.63**
Profit for the Year		**4,498.37**	**4,842.72**
Other Comprehensive income			
Items that will not be reclassified subsequently to statement of profit and loss			
Remeasurements of the defined benefit liability		(13.70)	(26.61)
Income tax relating to items that will not be reclassified to statement of profit and loss			
Remeasurements of the defined benefit liability		3.45	6.70
Net other comprehensive income not to be reclassified subsequently to statement of profit or loss		**(10.25)**	**(19.91)**
Total comprehensive income for the Year		**4,488.12**	**4,822.81**
Earnings per share			
Basic and diluted earnings per share (in Indian Rupees)	34	374.86	403.56

As per our report of even date attached
For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

For and on behalf of Board of Directors of
TVS SCS Global Freight Solutions Limited

K S Narayanaswamy
Partner
Membership No. 8593

Place : Madurai
Date :
ICAI UDIN :

S Ravichandran
DIN 01485845
Director

Place: Chennai
Date:

Siddharth Jairaj
DIN 01754852
Whole Time Director

Place: Chennai
Date:

TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED
Statement of changes in equity
(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

A Equity Share Capital

Particulars	Note	Amount	No. of shares
Equity shares of Rs. 10 each issued, subscribed and fully paid			
Balance as at 31 March 2023		120.00	12,00,000
Shares issued during the year	14	-	-
Balance as at 31 March 2024		**120.00**	**12,00,000**

B Other equity

	Other equity			Total other equity attributable to equity holders of the Company
	Reserves and surplus			
	Securities premium	General reserve	Retained earnings	
Balance as at 1 April 2022	**80.00**	**316.59**	**9,073.64**	**9,470.23**
Total comprehensive income for the year ended 31 March 2023				
Profit for the year	-	-	4,842.72	4,842.72
Other comprehensive income	-	-	(19.91)	(19.91)
Dividend Paid	-	-	(240.00)	(240.00)
Total comprehensive income	**-**	**-**	**4,582.81**	**4,582.81**
Balance at 31 March 2023	**80.00**	**316.59**	**13,656.45**	**14,053.04**
Total comprehensive income for the Year ended 31 Mar 2024				
Profit for the Year	-	-	4,498.37	4,498.37
Other comprehensive income for the Year	-	-	(10.25)	(10.25)
Dividend Paid	-	-	(240.00)	(240.00)
Total comprehensive income	**-**	**-**	**4,248.12**	**4,248.12**
Balance at 31 March 2024	**80.00**	**316.59**	**17,904.57**	**18,301.16**

As per our report of even date attached
For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

For and on behalf of Board of Directors of
TVS SCS Global Freight Solutions Limited

K S Narayanaswamy
Partner
Membership No. 8593
Place : Madurai
Date :
ICAI UDIN :

S Ravichandran
DIN 01485845
Director

Place: Chennai
Date:

Siddharth Jairaj
DIN 01754852
Whole Time Director

Place: Chennai
Date:

TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED

Cash flow Statement for the Year ended 31st March, 2024

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

		Year Ended 31 March 2024	Year Ended 31 March 2023
Cash flow from Operating activities			
Profit before tax		**6,041.81**	**6,499.35**
Adjustments to reconcile profit before tax to net cash flows:			
Provision on Doubtful debts as no longer required		(88.33)	(86.74)
Provisions and liabilities as no longer required		(20.14)	(0.34)
Other non operating income		(7.15)	(1.72)
Gain on sale of property plant and equipments (net)		(0.38)	(0.70)
Interest income		(646.54)	(276.98)
Gain on Sale of Mutual Fund Investment		(201.30)	(17.15)
Depreciation and Amortisation		173.43	221.80
Finance Costs		47.18	77.53
Net gain or Loss on Foreign Currency Transaction		(331.59)	(646.37)
Bad debts written off		16.88	12.82
Provision for doubtful debts		124.64	116.87
Gain on Termination of Leases		(12.97)	(23.58)
Provisions in Employee benefit		(22.36)	(91.12)
Operating profit before change in operating assets and liabilities		5,073.18	5,783.67
Change in operating assets and liabilities			
(Increase) / Decrease in trade receivables & contract assets		(3,829.55)	4,225.59
(Increase) / Decrease in non current assets		0.19	0.19
(Increase) / Decrease in other financial assets		(10,597.59)	1,012.67
(Increase) / Decrease in other current assets		(162.59)	(48.97)
Increase / (Decrease) in trade payables & contract liabilities		1,305.55	(674.54)
Increase / (Decrease) in other financial liabilities		(15.76)	(38.73)
Increase / (Decrease) in other current and non current liabilities		26.00	(34.31)
Cash generated from operations		**(8,200.57)**	**10,225.57**
Income taxes paid		(1,476.91)	(1,566.65)
Net cash flow from operating activities	**A**	**(9,677.48)**	**8,658.92**
Cash flows from investing activities			
Purchase of plant, property and equipment		(19.07)	(82.33)
Purchase of intangible assets		-	(0.82)
Proceeds from sale of property, plant and equipment		1.53	3.00
Purchase of Mutual Fund Investment		25,850.00	(5,950.00)
Sale of Mutual Fund Investment		(25,648.70)	5,967.15
Interest received		653.39	261.79
Net cash flow from investing activities	**B**	**837.15**	**198.79**
Cash flows from financing activities			
Proceeds from Borrowings		0.14	(0.89)
Lease Liability Payments		(109.85)	(112.29)
Finance Costs on Lease Liabilities		(38.29)	(54.01)
Finance Costs		(9.81)	(23.52)
Dividends paid		(240.00)	(240.00)
Net cash flow from financing activities	**C**	**(397.81)**	**(430.71)**

TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED

Cash flow Statement for the Year ended 31st March, 2024

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

	Year Ended 31 March 2024	Year Ended 31 March 2023
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(9,238.14)**	**8,427.00**
Cash and cash equivalents at the beginning of the Year	10,474.02	2,047.02
Cash and cash equivalents at the end of the Year	**1,235.88**	**10,474.02**
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents	1,232.88	10,471.02
Other bank balances	3.00	3.00
Balance as per statement of cash flows	**1,235.88**	**10,474.02**

Note:

There are no non - cash changes in liabilities arising from financing activity in the statement of cash flow.

As per our report of even date attached
For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

For and on behalf of Board of Directors of
TVS SCS Global Freight Solutions Limited

K S Narayanaswamy
Partner
Membership No. 8593

Place : Madurai
Date :
ICAI UDIN :

S Ravichandran
DIN 01485845
Director

Place: Chennai
Date:

Siddharth Jairaj
DIN 01754852
Whole Time Director

Place: Chennai
Date:

TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED
Notes forming part of the financial statements for the year ended 31st March 2024
(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

	1. Property, Plant & Equipment						2. Intangible Assets	
	Plant and machinery	Furniture and fixtures	Vehicles	Office equipments	Computer	Total	Computer software	Total
Gross Block								
Balance at 1 April 2022	13.85	25.63	27.11	21.42	129.70	217.71	32.64	32.64
Additions during the year	1.29	50.92	-	13.40	16.72	82.33	0.82	0.82
Disposals during the year	(4.48)	(4.65)	-	(0.13)	(0.77)	(10.03)	-	-
Balance at 31 March 2023	**10.66**	**71.90**	**27.11**	**34.69**	**145.65**	**290.01**	**33.46**	**33.46**
Additions during the year	-	1.41	-	3.16	8.01	12.58	-	-
Disposals during the year	(0.97)	-	-	(2.67)	(0.63)	(4.27)	-	-
Balance at 31 March 2024	**9.69**	**73.31**	**27.11**	**35.18**	**153.03**	**298.32**	**33.46**	**33.46**
Accumulated Depreciation								
Balance at 1 April 2022	6.70	11.07	22.95	15.62	83.23	139.57	24.87	24.87
Charge for the year	1.35	15.12	1.30	6.75	31.22	55.74	3.00	3.00
Disposals during the year	(3.43)	(3.67)	-	(0.12)	(0.51)	(7.73)	-	-
Balance at 31 March 2023	**4.62**	**22.52**	**24.25**	**22.25**	**113.94**	**187.58**	**27.87**	**27.87**
Charge for the period	1.10	12.80	0.89	5.98	20.08	40.85	1.90	1.90
Disposals during the year	(0.47)	-	-	(2.16)	(0.49)	(3.12)	-	-
Balance at 31 March 2024	**5.25**	**35.32**	**25.14**	**26.07**	**133.53**	**225.31**	**29.77**	**29.77**
Carrying amount (net)								
Balance at 31 March 2023	**6.04**	**49.38**	**2.86**	**12.44**	**31.71**	**102.43**	**5.59**	**5.59**
Balance at 31 Mar 2024	**4.44**	**37.99**	**1.97**	**9.11**	**19.50**	**73.01**	**3.69**	**3.69**

Note 1A : Capital Work In Progress

	Amounts in Capital Work in Progress for the period of				
Projects in Progress	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
For the year Ended 31 March 2024	6.49	-	-	-	**6.49**
Completion due dates for the Above	6.49	-	-	-	6.49
For the year Ended 31 March 2023	-	-	-	-	-
Completion due dates for the Above	-	-	-	-	-

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

3 Right of use assets

a Leases Comprises Lease of Buildings

b Set out below are the carrying amounts of right of use assets recognised and the movements during the year

	Building
Net carrying amount	
Balance as at 1st April 2022	711.25
Additions	498.23
Reversals (less)	(528.14)
Amortisation (less)	(163.06)
Currency translation and others	
Balance as at 31st March 2023	518.28
Balance as at 1st April 2023	518.28
Additions	70.12
Reversals (less)	(79.45)
Amortisation (less)	(130.68)
Currency translation and others	
Balance as at 31st Mar 2024	378.27

c Set out below are the carrying amounts of lease liabilities and the movement during the year	**31 March 2024**	**31 March 2023**
Balance at the beginning of the year	547.09	713.75
Additions	67.05	480.38
Accretion of interest	38.29	54.01
Payments	(148.14)	(166.30)
Reversals	(89.13)	(534.75)
Balance at the end of the year	**415.16**	**547.09**
Current	**134.73**	**118.46**
Non - Current	**280.43**	**428.62**

d The following are recongnised in the statement of profit and loss	**31 March 2024**	**31 March 2023**
Amortisation expenses of right of use assets	130.68	163.06
Interest expenses on lease liabilities	38.29	54.01
Expenses relating to short term leases	10.96	4.41
Expenses relating to leases of low value assets	-	-
Variable lease payments	-	-
Total Expense recognised in the statement of profit and loss	**179.93**	**221.48**
Notional Interest Income on Security deposit	3.91	4.43
Gain or Loss on Termination / Modification of Lease	12.97	23.58
Total Income recognised in the statement of profit and loss	**16.88**	**28.01**

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

4	**Investments**	**As at 31 March 2024**	**As at 31 March 2023**
	Non Current		
	Investments in Equity Shares of TVS Supply Chain Solutions Pte Ltd * [5 shares @ SGD 1 each Amounting to Rs. 352 (Previous Year :Rs. 270)]	0.00	0.00
		0.00	**0.00**
	* Cost treated as Fair value		
	Current		
	Investments at Fair Value Through Profit and Loss (FVTPL)		
	Investments in Mutual Funds	-	-

5	**Other Financial Assets**	**As at 31 March 2024**	**As at 31 March 2023**
	Non Current		
	Security deposit	42.56	46.80
	Bank deposits with original maturity more than 12 months *	5.20	5.00
		47.76	**51.80**
	Current		
	Bank deposits with original maturity more than 12 months *	-	0.20
	Interest accrued on Loan to related party	-	-
		-	**0.20**

* Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments

6	**Deferred tax assets (net)**	**As at 31 March 2024**	**As at 31 March 2023**
	Deferred income tax assets		
	Property plant and equipment	12.82	12.18
	Accrued compensation to employees	15.95	17.10
	Others	77.17	64.59
		105.94	**93.87**

7	**Other assets**	**As at 31 March 2024**	**As at 31 March 2023**
	Non-current		
	Advances other than capital advances		
	Prepaid expenses	0.39	0.58
		0.39	**0.58**
	Current		
	Advances recoverable in cash or kind	42.84	16.71
	Prepaid expenses	37.90	28.30
	Deferred CSR Expenditure	7.50	2.00
	Balances with statutory and government authorities	65.57	173.12
		153.81	**220.13**

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

8 Trade receivables (Current)

	As at 31 March 2024	As at 31 March 2023
Unsecured, Considered Good	11,660.52	7,552.57
Unsecured, Considered Doubtful	213.18	197.01
Less : Provisions for Bad & Doubtful debts	(213.18)	(197.01)
	11,660.52	**7,552.57**

Trade Receivables Ageing schedule

Outstanding for the following periods from the due date of payment for the Year ended 31st March 2024

Particulars	Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 years	More than 3 years	Total
Undisputed						
Considered Good	11,400.04	260.35	0.13	-	-	11,660.52
Considered Doubtful	-	76.82	48.40	17.36	70.60	213.18
Disputed						
Considered Good	-	-	-	-	-	-
Considered Doubtful	-	-	-	-	-	-

Outstanding for the following periods from the due date of payment for the Year ended 31st March 2023

Particulars	Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 years	More than 3 years	Total
Undisputed						
Considered Good	7,294.56	257.99	0.02	-	-	7,552.57
Considered Doubtful	-	83.05	42.04	1.95	69.97	197.01
Disputed						
Considered Good	-	-	-	-	-	-
Considered Doubtful	-	-	-	-	-	-

9 Contract Assets

	As at 31 March 2024	As at 31 March 2023
Advance for supply of goods and services	293.72	82.99
Unbilled Revenue	55.24	37.06
	348.96	**120.05**

Outstanding for the following periods for the Year ended 31st March 2024

Particulars	Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 years	More than 3 years	Total
Undisputed						
Considered Good	348.96	-	-	-	-	348.96
Considered Doubtful	-	-	-	-	-	-
Disputed						
Considered Good	-	-	-	-	-	-
Considered Doubtful	-	-	-	-	-	-

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

Outstanding for the following periods for the Year ended 31st March 2023

Particulars	**Less than 6 Months**	**6 Months to 1 Year**	**1 - 2 Years**	**2 - 3 years**	**More than 3 years**	**Total**
Undisputed						
Considered Good	120.05	-	-	-	-	120.05
Considered Doubtful	-	-	-	-	-	-
Disputed						
Considered Good	-	-	-	-	-	-
Considered Doubtful	-	-	-	-	-	-

10 Cash and cash equivalents

	As at 31 March 2024	**As at 31 March 2023**
Balance with banks - in current account	1,232.88	7,171.02
Deposits with Banks (Less than 3 months maturity)	-	3,300.00
Cash and cash equivalents in balance sheet	**1,232.88**	**10,471.02**

11 Other bank balances

	As at 31 March 2024	**As at 31 March 2023**
Balance with Bank (with more than three months and less than twelve months maturity)	3.00	3.00
	3.00	**3.00**

*Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments

12 Deposits and other receivables (Current)

	As at 31 March 2024	**As at 31 March 2023**
Security deposit	11.85	5.88
Interest accrued on fixed deposits	-	10.76
	11.85	**16.64**

13 Loans & advances (Current)

	As at 31 March 2024	**As at 31 March 2023**
Loan to Holding Company (TVS Supply Chain Solutions Ltd)		
Unsecured, Considered Good	10,600.00	-
	10,600.00	**-**

Disclosure for the loans & advances given to promoters, directors, KMPs and related parties

Borrower	**As at 31 March 2024**		**As at 31 March**	
	Loan O/s	**% of Loan o/s**	**Loan O/s**	**% of Loan o/s**
Promoter	10,600.00	100%	-	0%

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

14 Equity Share Capital

	As at 31 March 2024	As at 31 March 2023
Authorised		
3,000,000 (31 March 2022 3,000,000) equity shares of Rs. 10 each	300.00	300.00
Issued, Subscribed and Paid-up		
1,200,000 (31 March 2022 1,200,000) equity shares of Rs. 10 each	120.00	120.00

Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	31 March 2024		31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares				
At the commencement of the year	12,00,000	120.00	12,00,000	120.00
Shares issued for cash	-	-	-	-
At the end of the year	**12,00,000**	**120.00**	**12,00,000**	**120.00**

Rights, preferences and restrictions attached to equity shares

The Company has one class of Equity Shares having a par value of Rs.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 Shareholders in the ensuing General Meeting, except in case of interim dividend. In the unlikely event of liquidation of the company, the Equity Share holders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

Particulars of shareholders holding more than 5% of shares of a class of shares during the Year

	31 March 2024		31 March 2023	
	Number of shares	% holding	Number of shares	% holding
TVS Supply Chain Solutions Limited	11,99,994	100.00%	11,99,994	100.00%

Share holding of Promoters for the Period ended 31 March 2024

At the Year Beginning	At the Year End	Percentage at Year end	Percentage Change during the Year
11,99,994	11,99,994	100.00%	0.00%

Share holding of Promoters for the Year ended 31 March 2023

At the Year Beginning	At the Year End	Percentage at Year end	Percentage Change during the Year
11,99,994	11,99,994	100.00%	0.00%

15 Other equity

	As at 31 March 2024	As at 31 March 2023
Securities Premium	80.00	80.00
General Reserve	316.59	316.59
Retained Earnings	17,904.57	13,656.45
	18,301.16	**14,053.04**

Securities Premium
Securities Premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve
General Reserve represent accumulated profits earned by the Company.

Retained Earnings
Retained earnings represent accumulated profits earned by the Company till date, less dividends or other distributions paid to shareholders.

Dividends

	As at 31 March 2024	As at 31 March 2023
Interim Dividend of FY 22-23 INR 20 per equity share	-	240.00
Final Dividend of FY 22-23 INR 20 per equity share	240.00	-
	240.00	**240.00**

16 Borrowings

Current	As at 31 March 2024	As at 31 March 2023
Other Dues to Bank *	1.00	0.86
	1.00	**0.86**

* Credit card Dues

A. Information about the Company's exposure to interest rate, foreign currency and liquidity risk is included in Note 32.

B. 1. The company has a Credit facility of Rs.1500 lakhs (Previous year Rs.1500 Lakhs) which was secured by a charge over book debts. However, the Credit facility was Unused on 31-03-24 and 31-03-23.
2. The company has availed Credit card facility for Rs.10 lakhs. The amount remaining unused as at 31-03-24 is Rs. 9.00 Lakhs (Previous year 4.14 Lakhs)
3. There are no discrepancies between the monthly declaration submitted to the bank and the books of accounts.
4. Borrowings were used for the purpose for which they were obtained.
5. The Company is not declared as a wilful defaulter by any bank or financial institution.

17 Provisions

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Provisions for employee benefits				
Liability for gratuity	4.01	13.57	-	-
Liability for compensated absences -	6.27	5.44	0.39	0.32
Total provision for employee benefits	**10.28**	**19.01**	**0.39**	**0.32**

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

Other provisions				
Provision for service tax	-	-	36.22	36.22
Total other provisions	**-**	**-**	**36.22**	**36.22**
Total provisions	**10.28**	**19.01**	**36.61**	**36.54**

The Company operates the following post-employment defined benefit plans:

The Company has a defined benefit gratuity plan in India (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee at the time of retirement, death or termination of employment. Liabilities for the same are determined through an actuarial valuation as at the reporting dates using the "projected unit cost

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

A. Funding

The gratuity plan of the Company is funded. The funding requirements of the Company are managed by the insurer. Employees do not contribute to the plan.

The Company has determined that, in accordance with the terms and conditions of the gratuity plan, and in accordance with statutory requirements (including minimum funding requirements) of the plan of the relevant jurisdiction, the present value of the plan assets are adequate.

B. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components

Reconciliation of present value of defined benefit obligation	**Gratuity**		**Leave Salary**	
	As at 31 March 2024	**As at 31 March 2023**	**As at 31 March 2024**	**As at 31 March 2023**
Balance at the beginning of the year	264.74	207.75	5.75	65.33
Benefits paid	(13.83)	(14.39)	(21.58)	(64.02)
Current service cost	34.16	27.06	12.33	13.98
Past service cost	-	-	-	-
Interest cost	19.18	14.58	0.42	4.57
Actuarial (gains)/losses recognised in other comprehensive income	15.31	29.74	9.73	(14.11)
Balance at the end of the year	**319.56**	**264.74**	**6.65**	**5.75**
Reconciliation of the Fair value of plan assets				
Balance at the beginning of the year	251.17	189.25	-	-
Interest income	18.17	13.23	-	-
Contributions paid into the plan	58.43	59.95	-	-
Benefits paid	(13.83)	(14.39)	-	-
Actuarial gains/(losses) recognised in other comprehensive income	1.60	3.13	-	-
Balance at the end of the year	**315.54**	**251.17**	**-**	**-**
Net defined benefit (liability)	**4.02**	**13.57**	**6.65**	**5.75**

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

C. Expense/ (income) recognised in the statement of profit or loss	**Year ended 31 Mar 2024**	**Year ended 31 Mar 2023**	**Year ended 31 Mar 2024**	**Year ended 31 Mar 2023**
Current service cost	34.16	27.06	12.33	13.98
Interest cost	1.02	1.35	0.42	4.57
Net Actuarial (Gain)/loss recognised in the year			9.73	(14.11)
	35.18	**28.41**	**22.48**	**4.44**

Remeasurements recognised in other comprehensive income

	Year ended 31 Mar 2024	**Year ended 31 Mar 2023**	**Year ended 31 Mar 2024**	**Year ended 31 Mar 2023**
Actuarial gain on defined benefit obligations	13.70	26.61	-	-
	13.70	**26.61**	**-**	**-**

Retirement benefit in the form of Gratuity Liability (being administrated by State Bank of India) is a defined obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year.

D. Amount Recognised in Balance sheet	**Year ended 31 Mar 2024**	**Year ended 31 Mar 2023**	**Year ended 31 Mar 2024**	**Year ended 31 Mar 2023**
Present value of the obligation				
Current	-	-	0.39	0.32
Non Current	4.02	13.57	6.27	5.44
	4.02	**13.57**	**6.66**	**5.76**

E. Defined benefit obligation	**Year ended 31 Mar 2024**	**Year ended 31 Mar 2023**	**Year ended 31 Mar 2024**	**Year ended 31 Mar 2023**
i. Actuarial assumptions	**Gratuity**		**Leave Salary**	
Principal actuarial assumptions at the reporting date				
Discount rate	7.21%	7.47%	7.21%	7.47%
Future salary growth	8.00%	8.00%	8.00%	8.00%
Attrition rate	3.00%	3.00%	3.00%	3.00%
Age of retirement	58yrs	58yrs	58yrs	58yrs

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	Gratuity		**Leave Salary**	
	As at 31 March 2024	**As at 31 March 2023**	**As at 31 March 2024**	**As at 31 March 2023**
A. Discount Rate + 50 BP	5.26%	5.39%	5.60%	5.84%
Defined Benefit Obligation [PVO]	302.73	250.48	6.29	5.42
B. Discount Rate - 50 BP	5.69%	5.83%	6.10%	6.38%
Defined Benefit Obligation [PVO]	337.74	280.18	7.07	6.13

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

C. Salary Escalation Rate +50 BP	5.39%	5.85%	6.26%	6.54%
Defined Benefit Obligation [PVO]	336.79	280.23	7.08	6.14
D. Salary Escalation Rate -50 BP	5.20%	5.45%	5.80%	6.04%
Defined Benefit Obligation [PVO]	302.94	250.31	6.27	5.41
iii. Expected Benefit Payments in Following Years [mid-year cash flows]				
Year 1	19.31	15.86	0.39	0.32
Year 2	9.86	8.76	0.21	0.20
Year 3	12.66	8.91	0.25	0.19
Year 4	12.90	12.79	0.49	0.23
Year 5	17.10	10.86	0.37	0.32
Next 5 Years	118.67	108.29	2.21	2.27

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown

18 Trade payables (Current)

	As at 31 March 2024	As at 31 March 2023
Dues to Micro and Small Enterprises	170.35	314.93
. Dues to others	5,021.40	3,571.27
	5,191.75	**3,886.20**

Note: The parties are classified as Micro and Small Enteriprises to the extent identified.

Trade Payables Ageing schedule

Outstanding for the following periods from the due date of payment for the Year ended 31st Mar 2024

Particulars	Less than 1 Year	1 - 2 Years	2 - 3 years	More than 3 years	Total
Undisputed					
MSME	170.35	-	-	-	**170.35**
Others	5,020.24	1.16	-	-	**5,021.40**
Disputed					
MSME	-	-	-	-	-
Others	-	-	-	-	-

Outstanding for the following periods from the due date of payment for the Year ended 31st March 2023

Particulars	Less than 1 Year	1 - 2 Years	2 - 3 years	More than 3 years	Total
Undisputed					
MSME	314.93	-	-	-	**314.93**
Others	3,566.20	0.42	-	4.65	**3,571.27**
Disputed					
MSME	-	-	-	-	-
Others	-	-	-	-	-

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

Additional Information under Micro,Small and Medium Enterprises Development Act, 2001 *

	As at 31 March 2024	As at 31 March 2023
i. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	171.27	314.93
ii. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii. The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	0.92	-
iv The amount of interest accrued and remaining unpaid at the end of each accounting year / period	0.92	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

* The above disclosures have been provided based on the information available with the Company in respect of the registration status of its Vendors / Service Providers.

19 Other financial liabilities

	As at 31 March 2024	As at 31 March 2023
Other financial liabilities at amortised cost		
Due to employees	186.54	231.44
Accrued Interest	0.92	-
	187.46	**231.44**

20 Other current liabilities

	As at 31 March 2024	As at 31 March 2023
Statutory dues	118.70	92.70
	118.70	**92.70**

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

21 Revenue from operations

	Year ended 31 March 2024	Year ended 31 March 2023
Sale of services		
Income from clearing and forwarding services	57,360.22	1,00,485.46
	57,360.22	**1,00,485.46**

22 Other income

	Year ended 31 March 2024	Year ended 31 March 2023
Interest income	646.54	276.98
Gain on sale of units of Mutual Fund	201.30	17.15
Provision and liabilities no longer Required	20.14	0.34
Provision for doubtful debts reversed	88.33	86.74
Exchange difference gain (net)	331.59	646.37
Net gain on sale of property, plant and equipment	0.38	0.70
Gain on Termination of Leases	12.97	23.58
Other non operating income	7.15	1.72
	1,308.40	**1,053.58**

23 Cost of Operations

	Year ended 31 March 2024	Year ended 31 March 2023
Freight charges	35,347.27	78,366.27
Clearing forwarding and handling charges	13,274.37	12,565.47
	48,621.64	**90,931.74**

24 Employee benefit expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries wages and Bonus	1,972.32	1,780.40
Contribution to provident and other funds	89.90	79.12
Expenses related to post-employment defined benefit plans	35.17	28.41
Expenses related to compensated absences	22.48	4.44
Staff welfare expenses	81.47	96.87
	2,201.34	**1,989.24**

25 Finance costs

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expenses	47.18	77.53
	47.18	**77.53**

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

26 Other expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Power and fuel	17.92	16.47
Rent	13.33	7.00
Rates and taxes	65.09	52.22
Insurance	87.12	119.41
Repairs and maintenance		
Plant and machinery	4.20	8.95
Others	335.55	305.32
Donation & Charity	3.00	1.50
Advertisement and business promotion	57.15	47.87
Travel and conveyance	157.41	135.61
Communication expenses	28.19	30.64
Printing and stationery	11.99	11.37
Remuneration to Auditors	13.75	12.10
Legal and professional charges	130.66	120.56
Corporate Social Responsibility Expenses (Refer note 'b' below)	93.43	57.16
Security services	11.94	10.18
Bad debts written off	16.88	12.82
Provision for doubtful debts	124.64	116.87
Management fees	373.20	709.63
Factoring charges	7.93	18.41
Miscellaneous expenses	29.84	25.29
	1,583.22	**1,819.38**

a. Remuneration to Auditors

	Year ended 31 March 2024	Year ended 31 March 2023
Statutory audit	5.00	4.00
Interim Audit fee	4.25	3.50
Fee for Restated Summary Statements	1.25	2.50
Tax audit	1.00	1.00
Fee for Certifications	1.75	0.60
Reimbursement of expenses	0.50	0.50
	13.75	**12.10**

b. Details of corporate social responsibility expenditure

	Year ended 31 March 2024	Year ended 31 March 2023
(a) amount required to be spent by the company during the year	93.43	57.16
(b) amount of expenditure incurred	100.93	59.16
(c) shortfall at the end of the year	-	-
(d) total of previous years shortfall	-	-
(e) reason for shortfall,	-	-

	Year ended 31 March 2024	Year ended 31 March 2023
(f) nature of CSR activities		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-
- Skill Development	-	-
- Women's Welfare	-	0.50
- Medical Support to Elder People	17.20	14.00
- Rural Development	11.64	13.23
- Flood Relief	5.00	-
- Contribution for Educational Development	13.93	3.60
- Swatch Baharat	10.00	5.00
- Tree Plantation	15.48	10.78
- Wildlife Support	3.00	2.00
- Eradicating Hunger	24.68	10.05
- Others	-	-
Total Amount Spent	**100.93**	**59.16**
Less : Amount proposed to be set-off in subsequent years from excess spent	(7.50)	(2.00)
CSR Expenditure for the year	**93.43**	**57.16**
(g) details of related party transactions, e.g., contribution to a trust controlled by the company / to a related company in relation to CSR expenditure as per relevant Accounting Standard	-	-
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	-	-

27 Income tax

A. Amount recognised in the statement of profit and loss

	Year ended 31 March 2024	Year ended 31 March 2023
Current tax		
Current year *	1,552.07	1,660.00
Total current tax expense	**1,552.07**	**1,660.00**
* Includes Reversals relating to earlier years : Rs. 17.94 Lakhs		
Deferred tax		
Origination and reversal of temporary difference	(8.63)	(3.37)
Total deferred tax expense / (benefit)	**(8.63)**	**(3.37)**
	1,543.44	**1,656.63**

B. Income tax recognised in other comprehensive income

Particulars	Year ended 31 March 2024			Year ended 31 March 2023		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Remeasurement of defined benefit liability (asset)	13.70	(3.45)	10.25	26.61	(6.70)	19.91

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

C. Reconciliation of effective tax rate

	Year ended 31 March 2024	Year ended 31 March 2023
Profit before tax	6,041.81	6,499.35
Statutory Income tax @ 25.168%	1,520.59	1,635.76
Tax effects of amount which are not deductible (taxable) in calculating taxable income:		
Effect of Depreciation claim	8.90	17.41
Effect of Allowances/Disallowances	22.58	6.83
Deferred Tax Impact on above	(8.63)	(3.37)
Income tax expense	1,543.44	1,656.63
Tax effect on OCI component	(3.45)	(6.70)
Total Tax Expense	1,539.99	1,649.93
Effective tax rate	25.49%	25.39%

Movement in temporary differences of Deferred Tax

Particulars	Opening Balance	Recognized In Profit and Loss	Recognized In OCI	Balance as at 31 Mar 2024
Property, plant and equipment	12.18	0.64		12.82
Provision - employee benefits	17.11	(4.61)	3.45	15.95
Provision - others	52.56	11.60		64.15
Right Of Use Assets & Lease Liabilities	12.03	1.00		13.03
	93.88	**8.62**	**3.45**	**105.94**

Note: The Company has not recognized Deferred tax on temporary differences arising from disallowances on account of delay in payments to MSME Vendors as the Company expects to settle the dues on or before the due date specified under the Act.

Significant Accounting policies and Notes on Accounts

28 Company Overview

TVS SCS Global Freight Solutions Limited ("the Company") is a company incorporated in India (on 19 July 2007) and is engaged in providing end to end Freight Forwarding and Logistics solutions to customers in Automotive, Engineering, Pharmaceuticals, Telecommunication and General Cargo sectors. The registered office of the company is situated at No 58, Eldams road, Teynampet, Chennai - 600 018.

29 Application of Indian Accounting Standards

All the Indian Accounting Standards issued and notified upto 31st March 2024 by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 amended from time to time have been considered in preparing these financial statements.

30 Basis of preparation

A Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

B Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All values are rounded off to the nearest two decimal lakhs except otherwise stated.

C Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Financial assets and liabilities	Fair Value / Amortised cost
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

D Estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

i. Use of estimates and judgements

The preparation of the Company's Financial Statements requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

ii. Depreciation / Amortisation and useful lives of Property Plant and Equipment / Intangible Assets

Property, Plant and Equipment/ Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's past experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

iii. Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iv. Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

v. Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units CCGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

vi. Impairment of Financial Assets

The impairment provisions for financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

E Measurement of fair values

The Company’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has used fair valuation method which involves developing estimates and assumptions consistent with how the market participants would price the instrument. Management has based its assumptions on observable data as far as possible, but where it is not available, the management uses the best information available. Estimated fair values may vary from the actual prices that would be acheived in an Arm's Length Transaction at the reporting date.

31 Significant accounting polices

A. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences are recognised in the statement of profit and loss.

Where Forward contracts are entered into, transactions are accounted at equivalent rupee values at the agreed forward contract rates. The difference on account of fluctuation at the rate of exchange prevailing on the date of transaction and the date of realization is treated as revenue.

B Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at
- Amortised cost;
- Fair Value Through Profit and loss
- Fair Value Through Other Comprehensive Income

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions :
- the asset is held within a business model whose objective is to hold assets 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.

ii. Subsequent Measurement:
Financial assets
For the purpose of subsequent measurement financial assets are classified and measured based on the entity's business model for managing the financial asset and contractual cashflow characteristics of the financial assets :

Financial assets: Subsequent measurement and gains and losses
Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses
Financial liabilities are classified as measured at amortised cost or Fair Value Through Profit & Loss statement (FVTPL). Foreign exchange gains and losses are recognised in the statement of profit and loss.

iii. Derecognition of financial asset
Financial assets are derecognised 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 recognised in the statement of profit and loss (except for equity instruments designated as FVTOCI).

De-recognition of financial liabilities
A financial liability is de-recognised when and only when it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

iv. 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 recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

C Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

All property, plant and equipment are depreciated on the written down value method by adopting useful life specified in Schedule II to the Companies Act 2013.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

iv. Capital Work in Progress

The Expenditure on Fixed assets that are in the process of Completion and are not ready for their intended use are recorded under Capital Work in Progress.

The Company conducts review of all assets under Capital work in progress to assess their readiness for their intended use and their removal from Capital Work in Progress.

D Intangible assets

i. Recognition and measurement

Intangible assets acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the statement of profit and loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation expenditure in the Statement of Profit and Loss.

Amortisation method useful lives are reviewed at the end of each financial year and adjusted if appropriate.

E Impairment

i. Impairment of financial instruments

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired.

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost (primarily consisting of trade receivables).

ii. Impairment of non-financial assets

The Company's non-financial assets, other than 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. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication 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. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

F Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are expensed as the related services are provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, 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 amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme, Employees State Insurance Scheme and a gratuity fund to SBI Life Insurance Co.Ltd. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense / income on the net defined benefit liability / asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability / asset, taking into account any changes in the net defined benefit liability / asset during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are included in the employee benefit expense and are recognised in the Statement of profit and loss.

iv. Other long-term employee benefits
The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

G Provisions and Contingent Liability

i. Provisions (other than for employee benefits):
A provision is recognised 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 benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in provision due to passage of time is recognised as interest expense.

ii. Contingent Liability:
Whenever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurance or non occurance of one or more uncertain future events not wholly within the control of the entity or present obligation that arises from past events but is not recognised because

a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
b) the amount of obligation cannot be measured with sufficient realibility are considered as contingent liability.

H Revenue

Revenue from contracts with customers (Rendering of services)
Revenue from Freight Forwarding Services are recognised when the relevant services are rendered and in accordance with the terms of the agreement with the customers.Revenue is recognised when no significant uncertainty exists regarding the collection of the consideration. The amount recognised as revenue is net of taxes and discounts.

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than the passage of time. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

I Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.As a lessee, the Company recognises 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 earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including insubstance fixed payments;

The lease liability is measured at amortised cost using the effective interest method.

The Company has elected not to recognise 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 recognises the lease payments associated with these leases as an expense on a straightline basis over the lease term. The Company's leases mainly comprise land and buildings and Plant and equipment. The Company leases land and buildings for warehouse facilities.

All leases other than included above are of either low value or cancellable at the option of lessee.

J Recognition of interest Income / Dividend Income :

Interest income is recognised using the time proportion method based on the rates implicit in the transaction. Interest income is recognised in the statement of profit and loss under other income.

Dividend income if any is recognised only when the right to receive is established.

K Income tax

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted at the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

L Earnings Per Share

Basic Earnings per share is calculated by dividing the profit attributable to the equity shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted Earnings per share is calculated by making adjustments to the profit attributable to the equity shareholders and the weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares if any.

M Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

N Cash Flow Statement

Cash flows are presented using indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company is segregated based on the available information.

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

32. Financial instruments - Fair values and risk management

A. Accounting classifications and fair value

Particulars	31 March 2024				31 March 2023			
	FVTPL	FVTOCI	Amortised cost	Carrying Value	FVTPL	FVTOCI	Amortised cost	Carrying Value
Financial assets								
Trade receivables	-	-	-	11,660.52	-	-	-	7,552.57
Security deposits	-	-	-	54.41		-	-	52.68
Bank deposits	-	-	-	5.20		-	-	5.00
Cash and cash equivalents	-	-	-	1,232.88		-	-	10,471.02
Other bank balances	-	-	-	3.00		-	-	3.00
Other financial assets	-	-	-	-		-	-	-
Loans & Advances	-	-	-	10,600.00		-	-	-
Investments	-	0.00	-	0.00	-	0.00	-	0.00
Total financial assets	**-**	**0.00**	**-**	**23,556.01**	**-**	**0.00**	**-**	**18,084.27**
Financial liabilities								
Finance lease obligations	-	-	-	-		-	-	-
Trade payables	-	-	-	5,191.75		-	-	3,886.20
Other financial liability	-	-	-	187.46		-	-	231.44
Lease Liability			415.16	415.16	-	-	547.08	547.08
Credit Card Liabilities				1.00		-	-	0.86
Total financial liabilities	**-**	**-**	**415.16**	**5,795.37**	**-**	**-**	**547.08**	**4,665.58**

Note: The Company has not disclosed fair values of financial instruments such as trade receivables, cash and bank balances, other financial assets, trade payables and other financial liability because their carrying amounts are reasonable approximations of their fair values.

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Level 3	As at 31 March, 2024	As at 31 March, 2023
Investment through FVTOCI [Rs. 352 (Previous Year: Rs.270)]	0.00	0.00
Level 1		
FVTPL	-	-

Financial assets and liabilities measured at amortised cost

The Company has not disclosed the fair values for financial instruments measured at amortised costs as their carrying amounts are a reasonable approximation of fair value.

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

C. Financial risk management

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has exposure to the following risks arising from financial instruments:
- market risk
- liquidity risk; and
- credit risk;

i. Market risk

Market risk is the risk that changes in market prices (such as foreign exchange rates and interest rates) will affect the Companies income or the value of holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of an exposure will fluctuate because of changes in Foreign currency exchange rate. The Company operates internationally and exposed to foreign exchange risk arising from foreign currency transaction mainly with respect to US$

The following table analyzes foreign currency risk from financial instruments:

Particulars	As at 31 Mar 2024			As at 31 March 2023		
	USD	EUR	Others	USD	EUR	Others
Financial assets:						
Trade receivables	3,672.28	85.35	58.63	4,081.44	59.08	9.92
Cash and cash equivalents	105.87	30.48	-	139.93	13.81	-
Financial liabilities:						
Trade payables	(3,463.52)	(240.50)	(263.27)	(1,892.17)	(95.75)	(210.29)
Net assets / (liabilities)	**314.63**	**(124.67)**	**(204.64)**	**2,329.20**	**(22.87)**	**(200.38)**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar against INR at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit / (loss)	
	Strength-ening	**Weakening**
31 Mar 2024	3.15	(3.15)
USD (1% movement)		
31 March 2023		
USD (1% movement)	23.29	(23.29)

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

31 Mar 2024		
EUR (1% movement)	(1.25)	1.25
31 March 2023		
EUR (1% movement)	(0.23)	0.23

Interest rate risk

The Company has only fixed rate instrument i.e. finance lease facility being used for cash management purposes. Since the Company has only fixed rate instruments, the Company's exposure to interest rate risk is insignificant.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	As at 31 March 2024	As at 31 March 2023
Fixed rate instruments		
Financial liabilities- Finance lease obligation	-	-
	-	-

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company’s approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

31 Mar 2024		**Contractual cash flows**					
Particulars	**Carrying amount**	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non derivative financial liabilities							
Trade payables	5,191.75	5,191.75	5,191.75	-	-	-	-
Other financial liabilities	187.46	187.46	187.46	-	-	-	-
Lease Liability	415.16	482.62	67.37	67.37	120.86	227.02	-
	5,794.37	**5,861.83**	**5,446.58**	**67.37**	**120.86**	**227.02**	**-**

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

31 March 2023		Contractual cash flows					
Particulars	**Carrying amount**	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non derivative financial liabilities							
Trade payables	3,886.20	3,886.20	3,886.20	-	-	-	-
Other financial liabilities	231.44	231.44	231.44	-	-	-	-
Lease Liability	547.08	660.13	79.50	79.50	152.93	348.21	-
	4,664.72	**4,777.77**	**4,197.14**	**79.50**	**152.93**	**348.21**	**-**

iii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers;

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for trade and other receivables are as follows:

	Carrying amount	
	As at 31 March 2024	**As at 31 March 2023**
Trade receivables	11,660.52	7,552.57
Total trade and other receivables	**11,660.52**	**7,552.57**
Security deposits	54.41	52.68
Bank deposits	5.20	5.00
Cash and cash equivalents	1,232.88	10,471.02
Other bank balances	3.00	3.00
Total	**12,956.01**	**18,084.27**

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full except to the extent already provided, based on historical payment behavior and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available press information about customers. In order to calculate the loss allowance, loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency through write-off. Roll rates are calculated separately for exposures in different stages of delinquency primarily determined based on the time period for which they are past due.

Receivables from customers that individually constituted more than 10% of the Company's receivables are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Wheels India Limited	1,350.60	957.26

The ageing of trade receivables that were not impaired as at the reporting date was:

As at 31 March 2024

	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit - impaired
Not due	6,606.10	0.00%	-	No
Past due 1-90 days	4,270.53	0.00%	-	No
Past due 90-180 days	523.42	0.00%	-	No
Past due 181-270 days	228.02	7.78%	17.74	Yes
Past due 271-365 days	109.14	54.13%	59.07	Yes
Past due for more than 365 days	136.49	99.91%	136.36	Yes
Total	**11,873.70**		**213.18**	

As at 31 March 2023

	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit - impaired
Not due	3,454.15	0.00%	-	No
Past due 1-90 days	3,160.59	0.00%	-	No
Past due 90-180 days	679.82	0.00%	-	No
Past due 181-270 days	262.77	14.09%	37.02	Yes
Past due 271-365 days	78.28	58.81%	46.04	Yes
Past due for more than 365 days	113.98	99.98%	113.96	Yes
Total	**7,749.58**		**197.01**	

The movement in the allowance for impairment in respect of trade receivables and loans is as follows:

	31 March 2024	31 March 2023
Opening Balance	197.01	166.88
Provision for the year	124.64	116.87
Less : Provision withdrawn against Bad debts Written off	(16.87)	(12.82)
Less : Provision withdrawn against payment collected	(91.59)	(73.92)
Closing Balance	**213.19**	**197.01**

33 Capital commitments and contingent liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Claims against the company not acknowledged as debt *		
- Service Tax	32.93	32.93
- GST	64.29	-
- Income Tax	1.40	1.40
Bank Guarantee **	78.00	62.00

* The Management is of the opinion that the above demands are not sustainable and hence no provision needs to be made in the books of account.
From time to time, the Company is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations, or cash flows of the Company.

** Includes expired guarantees which are yet to be renewed amounting to Rs.32 Lakhs (As on 31st March 2023 Rs. 37 Lakhs)

34 Earnings per share

Basic and diluted earnings per share

	Year ended 31 March 2024	Year ended 31 March 2023
Profit and Loss attributable to Equity Share Holders (Rs.in Lakhs)	4,498.37	4,842.72
Weighted average number of shares (In Numbers)	12,00,000	12,00,000
Face value of Shares Rs. Per share (In Rupees)	10	10
Earnings per share (basic & diluted) (In Rupees)	374.86	403.56

35 Operating segments

The Company is engaged in only one business namely providing Logistics services. The entity’s chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company does not have multiple segments and these financial statements are reflective of the information required by the Ind AS 108 for Supply Chain Management segment. The Company's operations are entirely domiciled in India.

A. Geographic information :

The geographic information analyses the Company's revenue by the Company's country of domicile and other countries. In presenting the geographical information, segment revenue has been determined based on the geographic location of the customers.

	Year ended 31 March 2024	Year ended 31 Mar 2023
India	39,255.54	76,580.57
USA	13,882.18	16,873.32
UK	174.48	121.97
Rest of the World	4,048.02	6,909.60
	57,360.22	1,00,485.46

B. Major Customers

Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
TVS Motor Company Ltd, Chennai	8,133.47	26,038.31
Wheels India Limited, Chennai	5,600.99	9,025.07

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

36 Disclosure for Revenue from contracts with customers

I Disaggregated revenue information

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Type of goods & service		
a) Income from clearing and forwarding services		
Sea Freight	37,000.41	77,407.96
Air Freight	6,353.72	8,266.42
Customs Clearance Charges	4,036.35	5,298.15
Port Handling Charges	7,155.50	7,378.27
Warehousing	2,814.24	2,134.66
b) Other Operating Revenue	-	-
Total Revenue from contracts with customers	**57,360.22**	**1,00,485.46**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
India	39,255.54	76,580.56
Outside India	18,104.68	23,904.90
Total Revenue from contracts with customers	**57,360.22**	**1,00,485.46**

Timing of revenue recognition

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
At a point in time	12,278.69	13,627.04
Over a period of time	45,081.53	86,858.42
Total Revenue from contracts with customers	**57,360.22**	**1,00,485.46**

II Contract balances

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Trade receivables	11,660.52	7,552.57
Contract Assets	348.96	120.05
Contract Liabilities	-	-

Note : Trade receivables are non-interest bearing

III Revenue recognised in relation to contract liabilities

Particulars	Year ended 31 March 2024	Year ended 31 Mar 2023
Amount included in contract liabilities at the beginning of the year	-	-
Performance obligations satisfied in current year	-	-
Balance	-	-

IV Reconciliation of revenue recognised in the Statement of Profit and Loss with contracted price

Particulars	Year ended 31 March 2024	Year ended 31 Mar 2023
Revenue as per contracted price	57,360.22	1,00,485.46
Others	-	-
Total Revenue from contracts with customers	**57,360.22**	**1,00,485.46**

V Unsatisfied or partially unsatisfied performance obligation

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are as follows.	**Year ended 31 March 2024**	**Year ended 31 Mar 2023**
Within one year	2,300.91	3,103.67
More than one year	-	-
Total	2,300.91	3,103.67

37 The Board of Directors have recommended a final dividend of 200% amounting to Rs.240 Lakhs at the meeting held on 17.05.2023 which is subject to approval by Shareholders at the Annual General Meeting. This was paid during the period after approval of Share holders at the Annual General Meeting held on 16th June 2023.The Board of Directors at the meeting held on 17.01.2023 declared an interim dividend of 200% amounting to Rs.240 Lakhs which was paid during the previous year.

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

38 Ratios

Particulars	Formulae Used	Numerator	Denominator	31-03-2024	31-03-2023	Variation *
(a) Current Ratio	Current Assets / Current Liabilities	24,011.02	5,914.70	4.06	4.05	0.15%
(b) Debt Equity Ratio	Total Borrowings / Equity	1.00	18,421.16	0.00	0.00	0.00%
(c) Debt Service Coverage Ratio	EBIDTA / Finance cost	6,262.42	47.18	132.73	87.69	51.37%
(d) Return on Equity Ratio	Net Profit / Equity	4,488.12	18,421.16	24%	34%	-28.40%
(e) Inventory turnover ratio	Turnover / Inventory	57,360.22	-	-	-	0.00%
(f) Trade Receivables turnover ratio	Turnover / Average Trade Receivable	57,360.22	9,606.55	5.97	10.73	-44.36%
(g) Trade payables turnover ratio	Purchase / Average Trade Payable	48,621.64	4,538.98	10.71	21.53	-50.25%
(h) Net capital turnover ratio	Net working Capital / Turn Over	18,096.32	57,360.22	0.32	0.14	128.92%
(i) Net profit ratio	Net Profit / Turn Over	4,488.12	57,360.22	7.82%	4.80%	63.03%
(j) Return on Capital employed	EBIT / (Equity + Borrowing - Cash)	6,088.99	17,186.28	35.43%	177.76%	-80.07%
(k) Return on investment.	Earnings / Average Investment	-	-	0.00%	0.00%	0.00%

* Reasons for Variation More than 25%

(c) Debt Service Coverage ratio :	Reduction in EBITDA in Financial Year 2023-24 is due to Reduction in revenue on account of drop in Freight Rate.
(d) Return on Equity Ratio :	Reduction in Return on Equity is due to reduction in revenue on account of drop in Freight Rate.
(f) Trade Receivables turnover ratio :	Decrease is due to revenue increase in Q4 of Financial Year 2023-24
(g) Trade payables turnover ratio :	Decrease is due to Freight increase in Q4 of Financial Year 2023-24
(h) Net capital turnover ratio :	Increase is due to reduction in revenue on account of drop in freight rate.
(i) Net profit ratio :	Increase in Gross profit as compared to Previous year, resulting in increase of Net profit ratio.
(j) Return on Capital Employed :	Reduction is due to Loans given during the year resulting in decrease in cash and cash equivalents.

39 Related parties

(i) Names of related parties and description of relationship with whom transactions have been undertaken.

Nature of Relationship	Name of the Party
Holding company	TVS Supply Chain Solutions Limited
Fellow subsidiaries	TVS Logistics Iberia S.L., Spain
	TVS Autoserve Gmbh, Germany
	TVS Supply Chain Solutions Limited, UK
	Flexol Packaging (India) Ltd
	TVS SCS (Aust) Pty. Ltd.
	Transtar International Freight Limited, Shanghai
	Transtar International Freight Nz Limited
	Transtar International Freight (Thailand) Limited
	Transtar International Freight Ltd, China
	TVS Toyota Tsusho Supply Chain Solutions Ltd
	Pan Asia Freight Forwarding & Logistics India Pvt Ltd
	TVS SCS International Freight (Spain), S.L.U.
	TVS SCS Hong Kong Ltd.
	TVS SCS Deutschland Gmbh
	TVS SCS Logistics Ltd
	Pan Asia Logsitcis International Pte Ltd
	TVS SCS Malaysia Sdn Bhd
	TVS SCS (Korea) Ltd.
	TVS SCS Singapore Pte. Ltd.
	TVS SCS Logistics (Thailand) Limited
	TVS SCS International Freight (Thailand) Limited
	TVS SCS Logistics Management Co., Ltd
	PT. TVS SCS INDONESIA
	TVS Supply Chain Solutions Pte Ltd
	Pan Asia Logistics Ltd, Shanghai
	TVS Supply Chain Solutions North America Inc.
	Pan Asia Logistics Ltd-Beijing Branch
	Pan Asia Logistics Ltd-Guangzhou Branch
	TVS SCS Taiwan Limited
	TVS SCS Vietnam Company Limited
	TVS SCS New Zealand Limited
	TVS SCS Logistics (Thailand) Limited
	TVS SCS Philippines Corporation
	TVS SCS Rico ITALIA SRL
Key Managerial Personnel	Mr. Siddharth Jairaj

Director	Mr. H Janardana Iyer
Director	Ms. Sheethal Gopakumar

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

Transaction with key managerial personnel

Key management personnel of the Company comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel compensation during the year are as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salary & allowances	103.72	55.32
Contribution to provident fund	4.55	2.75
Perquisites	0.99	1.93
Commission / Incentive	31.25	67.00
Total (Included under Employee benefit expense)	**140.51**	**127.00**

	As at 31 March 2024	As at 31 March 2023
Outstanding Balance with Key Managerial Personnel	31.25	21.58

Director Sitting fee Paid/ Payable	As at 31 March 2024	As at 31 March 2023
	Paid	**Paid**
H Janardana Iyer	0.40	0.70
Sheethal Gopakumar	0.45	0.75
Total	**0.85**	**1.45**

Related party transactions other than those with key managerial personnel

	Transaction value		Balance outstanding	
	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023	As at 31 March 2024	As at 31 March 2023
Loans & Advances Given				
TVS SUPPLY CHAIN SOLUTIONS LIMITED	11,600	3,800	10,600	-
Loans & Advances Repaid				
TVS SUPPLY CHAIN SOLUTIONS LIMITED	1,000	4,800	-	-
Interest Income from Loans & Advances *				
TVS SUPPLY CHAIN SOLUTIONS LIMITED	546.77	215	245.28	-

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

	Transaction value		Balance outstanding	
	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023	As at 31 March 2024	As at 31 March 2023
Sale of service				
TVS SUPPLY CHAIN SOLUTIONS LIMITED	20.58	336.79	42.04	29.64
TVS LOGISTICS IBERIA S.L., SPAIN	64.76	25.12	13.44	3.62
TVS AUTOSERVE GMBH, GERMANY	24.11	32.30	2.00	8.01
TVS SUPPLY CHAIN SOLUTIONS LIMITED, UK	5.41	6.91	1.07	-
TVS SCS (AUST) PTY. LTD.	65.30	70.54	5.71	4.36
TRANSTAR INTERNATIONAL FREIGHT LIMITED, SHANGHAI	-	0.16	-	-
TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED	-	2.13	-	1.68
TVS SCS PHILIPPINES CORPORATION	0.74	-	0.73	-
TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	310.50	116.61	72.90	55.45
TVS SCS HONG KONG LTD.	1.70	-	-	-
TVS SCS DEUTSCHLAND GMBH	122.30	42.82	59.19	4.08
TVS SCS LOGISTICS LTD	64.33	13.47	12.79	0.33
TVS SCS TAIWAN LIMITED	34.20	21.40	3.23	3.55
TVS SCS MALAYSIA SDN BHD	24.87	85.34	9.40	8.82
TVS SCS (KOREA) LTD.	0.14	0.61	-	0.28
TVS SCS SINGAPORE PTE. LTD.	466.97	1,686.20	151.87	43.64
TVS SCS LOGISTICS (THAILAND) LIMITED	68.93	35.34	7.95	10.01
PT. TVS SCS INDONESIA	53.45	243.51	5.41	3.60
TVS SUPPLY CHAIN SOLUTIONS PTE LTD	20.83	22.77	6.84	1.65
TVS SCS NEW ZEALAND LIMITED	23.84	5.15	2.20	-
TVS SCS VIETNAM COMPANY LIMITED	12.67	19.14	1.54	8.90
TVS SCS RICO ITALIA SRL	2.86	-	2.04	-

	Transaction value		Balance outstanding	
	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023	As at 31 March 2024	As at 31 March 2023
Purchase of services				
TVS SUPPLY CHAIN SOLUTIONS LTD *	508.70	839.13	0.40	223.30
TVS SUPPLY CHAIN SOLUTIONS LIMITED, UK	247.34	54.99	27.04	5.81
TVS TOYOTA TSUSHO SUPPLY CHAIN SOLUTIONS LIMITED	1.97	-	0.47	-
TVS AUTOSERVE GMBH, GERMANY	196.62	63.69	54.76	34.20
TRANSTAR INTERNATIONAL FREIGHT LIMITED, SHANGHAI	-	537.40	-	-
TVS SCS (AUST) PTY. LTD.	15.98	8.91	2.32	0.86
TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA INC	39.72	-	39.22	-
TRANSTAR INTERNATIONAL FREIGHT LTD, CHINA	-	34.99	-	-
TVS SUPPLY CHAIN SOLUTIONS PTE LTD	140.73	114.12	-	2.25
TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	122.64	51.40	35.66	12.09
TVS SCS DEUTSCHLAND GMBH	325.59	234.45	61.00	13.69
TVS SCS HONG KONG LTD.	81.98	27.21	7.32	6.55
TVS SCS LOGISTICS LTD	1,821.60	551.69	361.02	131.69
TVS SCS (KOREA) LTD.	75.82	41.61	18.38	3.59
TVS SCS SINGAPORE PTE. LTD.	1,230.45	1,467.73	149.93	171.02
TVS SCS MALAYSIA SDN BHD	28.23	89.28	7.21	8.02
PT. TVS SCS INDONESIA	58.14	52.47	1.02	7.44
TVS SCS TAIWAN LIMITED	92.46	68.79	18.53	25.89
TVS SCS LOGISTICS MANAGEMENT CO., LTD	353.89	145.72	62.43	26.57
TVS SCS NEW ZEALAND LIMITED	5.24	0.40	5.18	0.39
TVS SCS LOGISTICS (THAILAND) LIMITED	60.90	28.49	2.25	7.13
TVS SCS RICO ITALIA SRL	259.07	327.95	33.85	33.85
TVS SCS VIETNAM COMPANY LIMITED	11.23	1.72	1.69	0.18

* Includes Management Fee of Rs.373.20 Lakhs (PY : 709.63)

40 Other Statutory Information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The company's search based on publicly available databases on struck off companies did not reveal any transactions with such companies.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the period.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

(viii) The Company has not revalued its Property, Plant and Equipment during the period.

(ix) The Company has complied with the number of layers of investments in respect of investments made by it.

(x) The Company has not entered into or been a part of Scheme of Arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.

41 Merger of TVS SCS Global Freight Solutions Limited with M/s TVS Supply Chain Solutions Limited

The Board of directors, at their meeting held on 2nd February 2024, have granted their consent and approval for the scheme of Amalgamation between various subsidiaries of TVS Supply Chain Solutions Limited, including TVS SCS Global Freight Solutions Limited, with and into M/s TVS Supply Chain Solutions Limited.

This Scheme is subject to necessary approvals / consents / sanctions and permissions of the shareholders and / or creditors of the Company, sanction of the jurisdictional Hon'ble National Company Law Tribunal (the "Hon'ble Tribunal") constituted under the provisions of the Act / such other competent authority / any other appropriate authority under the applicable provisions of the Act and such other approvals / permissions as may be required under applicable laws, regulations, and guidelines issued by the regulatory authorities.

42 Previous year figures have been regrouped / reclassified to conform to current year's classification.

As per our report of even date attached	For and on behalf of Board of Directors of	
For Sundaram & Srinivasan	**TVS SCS Global Freight Solutions Limited**	
Chartered Accountants		
Firm Registration No.: 004207S		
K S Narayanaswamy	**S Ravichandran**	**Siddharth Jairaj**
Partner	DIN 01485845	DIN 01754852
Membership No. 8593	Director	Whole Time Director
Place : Madurai	Place: Chennai	Place: Chennai
Date :	Date:	Date:
ICAI UDIN :		

TVS Toyota Tsusho Supply Chain Solutions Limited

FY 2023-24

INDEPENDENT AUDITOR'S REPORT

To the Members of TVS Toyota Tsusho Supply Chain Solutions Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of TVS Toyota Tsusho Supply Chain Solutions Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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 March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional 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 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 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, 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;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act;

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) The Company has not paid any managerial remuneration to its directors during the current year;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 38 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, other than as disclosed in the note 38 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; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer Note 39 to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 24210934BKFUMZ3663
Place of Signature: Chennai
Date: May 24, 2024

Annexure 1 referred to in Paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: TVS Toyota Tsusho Supply Chain Solutions Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventories during the year and in our opinion, the frequency of verification is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) During the year the Company has not made investments, provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order are not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of professional tax. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

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

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

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

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order in so far as it relates to section 177 of the Act is not applicable to the Company.

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

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

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company. For the purpose of reporting under this clause, we have reported only those Core Investment Companies which are registered with the Reserve Bank of India.

(xvii) The Company has not incurred cash losses in the current financial year or in the immediately preceding financial year.

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

(xix) On the basis of the financial ratios disclosed in note 35 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 36 to the financial statements.

(b) There are no ongoing projects and hence the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 24210934BKFUMZ3663
Place of Signature: Chennai
Date: May 24, 2024

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF TVS TOYOTA TSUSHO SUPPLY CHAIN SOLUTIONS LIMITED LIMTED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of TVS Toyota Tsusho Supply Chain Solutions Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 24210934BKFUMZ3663
Place of Signature: Chennai
Date: May 24, 2024

TVS TOYOTA TSUSHO SUPPLY CHAIN SOLUTIONS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2024
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	77.55	97.91
Capital work-in-progress	4	6.70	6.70
Right of use assets	5	1,676.41	2,104.50
Financial assets			
Deposits and other receivables	6	359.42	270.10
Deferred tax assets (net)	7	200.09	211.35
Total non - current assets		**2,320.17**	**2,690.56**
Current Assets			
Inventories	8	46.67	43.69
Financial assets			
Trade receivables	9	1,158.13	1,072.09
Cash and cash equivalents	10	558.97	423.86
Other bank balances	11A	1,811.54	1,526.16
Deposits and other receivables	6	3.41	3.41
Other financial assets	11	9.30	8.25
Other current assets	12	226.21	156.11
Total current assets		**3,814.23**	**3,233.57**
Total Assets		**6,134.40**	**5,924.13**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	200.00	200.00
Other equity	14	2,989.85	2,342.95
Total Equity		**3,189.85**	**2,542.95**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	15	1,645.72	2,111.17
Provisions	16	8.08	8.42
Total Non-current liabilities		**1,653.80**	**2,119.59**
Current liabilities			
Financial liabilities			
Trade payables	17		
Total outstanding dues to Micro & Small Enterprises		-	-
Total outstanding dues of creditors other than Micro & Small Enterprises		537.80	545.48
Lease liabilities	15	569.76	514.80
Other financial liabilities	18	69.69	90.45
Income tax liabilities (net)	19	46.81	45.04
Other current liabilities	20	57.94	55.00
Provisions	16	8.75	10.82
Total current liabilities		**1,290.75**	**1,261.59**
Total liabilities		**2,944.55**	**3,381.18**
Total Equity and liabilities		**6,134.40**	**5,924.13**
Material accounting policies	3		

The notes from 1 to 39 form an integral part of the financial statements.

As per our report of even date attached

for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

for and on behalf of the board of directors of
TVS Toyota Tsusho Supply Chain Solutions Limited

Bharath N S
Partner
Membership No. 210934

S Ravichandran
Director
DIN: 01485845

Kohei Maruoka
Managing Director
DIN: 10341982

Place : Chennai
Date : 24 May 2024

Place : Chennai
Date : 24 May 2024

Place : Chennai
Date : 24 May 2024

TVS TOYOTA TSUSHO SUPPLY CHAIN SOLUTIONS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2024
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from operations	21	5,137.69	5,018.25
Other income	22	350.68	341.98
Total income		**5,488.37**	**5,360.23**
Expenses			
Cost of material consumed	23	365.87	347.80
Changes in inventories	24	(2.98)	(3.34)
Employee benefits expense	25	601.85	667.42
Finance costs	26	221.18	253.08
Depreciation and amortization expense	27	639.23	532.92
Other expenses	28	2,795.17	2,659.89
Total expenses		**4,620.32**	**4,457.76**
Profit before tax		**868.05**	**902.47**
Income tax expense			
Current tax	7	207.96	236.44
Deferred tax charge/ (benefit)	7	11.25	(5.94)
Income tax expenses		**219.21**	**230.50**
Profit for the year		**648.84**	**671.97**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		(2.56)	4.56
Income tax relating to these items		0.64	(1.15)
Net other comprehensive income not to be reclassified to profit or loss		**(1.92)**	**3.41**
Other comprehensive income for the year, net of tax		**(1.92)**	**3.41**
Total comprehensive income for the year		**646.92**	**675.38**
Earnings per share			
Basic earnings per share (in INR)	29	32.44	33.60
Diluted earnings per share (in INR)	29	32.44	33.60
Material accounting policies	3		

The notes from 1 to 39 form an integral part of the financial statements.

As per our report of even date attached

for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : 24 May 2024

for and on behalf of the board of directors of
TVS Toyota Tsusho Supply Chain Solutions Limited

S Ravichandran
Director
DIN: 01485845

Place : Chennai
Date : 24 May 2024

Kohei Maruoka
Managing Director
DIN: 10341982

Place : Chennai
Date : 24 May 2024

TVS TOYOTA TSUSHO SUPPLY CHAIN SOLUTIONS LIMITED

Statement of cash flows for the year ended 31 March 2024

(All amounts are in Indian rupees in lakhs, except share data and otherwise stated)

Description	Note	31 March 2024	31 March 2023
Cash flow from operating activities			
Profit before tax		868.05	902.47
Profit before tax		**868.05**	**902.47**
Adjustments for:			
Provision for bad and doubtful debts written back		(171.62)	(165.99)
Depreciation and amortization expense		639.23	532.92
Interest income from banks		(133.52)	(64.98)
Finance costs		221.20	253.08
Bad debts and advance written off		-	22.67
Interest income on Security deposits carried at amortised cost		(30.32)	(21.73)
		1,393.02	**1,458.44**
Working capital adjustments:			
(Increase) / decrease in trade receivables		85.58	596.93
(Increase) / decrease in inventory		(2.98)	(3.34)
(Increase) / decrease in current and non current deposits		(58.56)	(42.09)
(Increase) / decrease in other financial assets and other current assets		(70.98)	376.88
Increase / (decrease) in trade payables		(7.68)	(329.53)
Increase / (decrease) in other financial liabilities and other current liabilities		(20.38)	(94.18)
Increase / (decrease) in employee benefits		(2.41)	(62.92)
Cash generated from operations		**1,315.61**	**1,900.18**
Income taxes paid, net of refunds		(206.18)	(335.34)
Net cash flow from operating activities (A)		**1,109.43**	**1,564.84**
Cash flows from investing activities			
Acquisition of property, plant and equipment		-	(4.80)
Investment in bank deposits		(285.38)	(900.00)
Interest received		133.52	43.35
Net cash flow used in investing activities (B)		**(151.86)**	**(861.45)**
Cash flows from financing activities			
Settlement of finance lease obligations		(822.47)	(682.95)
Interest paid		0.02	(0.04)
Net cash flow used in financing activities (C)		**(822.45)**	**(682.99)**
Net (decrease) in cash and cash equivalents (A+B+C)		**135.12**	**20.39**
Cash and cash equivalents at the beginning of the year	10	423.86	403.48
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the year	**10**	**558.98**	**423.86**

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

for and on behalf of the board of directors of
TVS Toyota Tsusho Supply Chain Solutions Limited

Bharath N S
Partner
Membership No. 210934

S Ravichandran
Director
DIN: 01485845

Kohei Maruoka
Managing Director
DIN: 10341982

Place : Chennai
Date : 24 May 2024

Place : Chennai
Date : 24 May 2024

Place : Chennai
Date : 24 May 2024

TVS TOYOTA TSUSHO SUPPLY CHAIN SOLUTIONS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

A. Equity share capital

	Note No.	No. of Shares in Lakhs	Amount in Lakhs
Balance as at 1 April 2022	13	**20.00**	**200.00**
Changes in equity share capital during the year		-	-
Balance as at 31 March 2023		**20.00**	**200.00**
Changes in equity share capital during the year	13	-	-
Balance as at 31 March 2024		**20.00**	**200.00**

B. Other equity

	Attributable to owners		
	Retained earnings	**OCI**	**Total**
Balance at 01 April 2022	1,668.72	(1.14)	1,667.58
Profit / (loss) for the year	671.96	-	671.96
Re-measurement gains/ (losses) on defined benefit plans (net of tax	-	3.41	3.41
Balance at 31 March 2023	**2,340.68**	**2.27**	**2,342.94**
Profit / (loss) for the year	648.83	-	648.83
Re-measurement gains/ (losses) on defined benefit plans (net of	-	(1.92)	(1.92)
Balance at 31 March 2024	**2,989.50**	**0.35**	**2,989.85**

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

For and on behalf of the board of directors of
TVS Toyota Tsusho Supply Chain Solutions Limited

Bharath N S
Partner
Membership No. 210934

S Ravichandran
Director
DIN: 01485845

Kohei Maruoka
Managing Director
DIN: 10341982

Place : Chennai
Date : 24 May 2024

Place : Chennai
Date : 24 May 2024

Place : Chennai
Date : 24 May 2024

1 Company Overview

TVS Supply Chain Solutions Limited ("the Company") was incorporated on 28 November 2014 and the name of the company was changed to TVS Toyota Tsusho Supply Chain Solutions Limited on 28 January 2015,the Company is a Joint Venture of TVS Supply chain Solutions Limited and Toyota Tsusho India Private Limited , companies registered in India. The Company was incorporated with the objective of providing logistics services mainly covering supply chain management services in Free Trade Warehousing Zones, material management solutions, tyre and wheel assembly solutions, In-plant warehouse and aftermarket warehousing services. The Company is currently engaged in FTWZ warehousing business, in-plant operations and the business movement of Completely Built Units ("CBU") i.e. motorcycles and scooters. The Company's registered office is situated at 58, Eldams Road, Teynampet, Chennai - 600018. The Company's identification No. (CIN) is U74999TN2014PLC098233.

2 Basis of preparation

A Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the requirements prescribed under Section 133 of Companies Act, 2013, (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements were authorised for issue by the Company's Board of Directors on 24 May 2024

Details of the Company's accounting policies are included in Note 3.

B Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All values are rounded off to the nearest two decimal lakhs except where otherwise stated.

C Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Initially at fair value and then at amortised cost
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have a duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III (Division II) to the Companies Act, 2013.

D Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Critical estimates and judgements

The areas involving critical estimates or judgements are

Measurement of defined benefit obligations: key actuarial assumptions - Note 3 J
Provision for inventory - Note 3 G
Provision for current tax expense and current tax payable - Note 3 M
Estimated useful life of property, plant & equipment - Note 3 F

2 Basis of preparation (continued)

E Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuation meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.
Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:
Note 3B & 33 financial instruments

3 Material accounting polices

A Revenue

Rendering of services

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Such revenue is recognised upon the Company's performance of its contractual obligations and on satisfying all the following conditions:

(1) Parties to the contract have approved the contract and undertaken to perform their respective obligations;
(2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the "Transfer");
(3) Such contract contains specific payment terms in relation to the Transfer;
(4) Such contract has a commercial nature, namely, it will change the risk, time distribution or amount of the Company's future cash flow;
(5) The Company is likely to recover the consideration it is entitled to for the Transfer to customers.

The Company's supply chain management segment generates revenue from services to its customers such as providing freight and other transportation services, warehousing, packaging, kitting, reverse logistics and inventory management contracts ranging from a few months to a few years. Certain accessorial services may be provided to customers under their transportation contracts, such as unloading and other incidental services. The Company's performance obligations are satisfied over time as customers simultaneously receive and consume the benefits of the Company's services. The contracts contain a single performance obligation, as the distinct services provided remain substantially the same over time and possess the same pattern of transfer. The transaction price is based on the consideration specified in the contract with the customer and contains fixed and variable consideration. In general, the fixed component of a contract represents amounts for facility and equipment costs incurred to satisfy the performance obligation and is recognized over the term of the contract.

In the case of transportation services, the performance obligations are satisfied over the period as the shipments move from origin to destination and revenue is recognized proportionally as a shipment moves and the related costs are recognized as incurred.

3 Material accounting polices (continued)

A Revenue (continued)

Sale of goods

Revenue from sale of traded goods including telecommunication goods is recognised when the control of the same is transferred to the customer, generally on delivery of the goods and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods.

B Leases

i. Determining whether an arrangement contains a lease

At contract inception whether a contract is, or contains, a lease is determined. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

ii. Assets Taken on Lease

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of Use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are subject to impairment.

ii) Lease Liability

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Interest-bearing loans and borrowings. (see note : 15)

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3 Material accounting polices (continued)

B Leases (continued)

(a) Determining the lease term of contracts with termination options – Company as lessee

As per Ind AS 116, termination options are to be considered in determining the non-cancellable period. The period covered by the termination option is included if the lessee is not reasonably certain to exercise the option. Lease term is the non-cancellable period of a lease, together with any optional periods that the lessee is reasonably certain to use. The non-cancellable period of a lease is any period during which the lessee cannot terminate the contract. Consequently, any non-cancellable period in effect sets a minimum lease term. This is usually referred as “lock-in” period in the lease contract. Generally, the lease contracts are cancellable once the “lock-in” period is over, and, in most cases, the termination option is mutually available with minimum notice period requirements under the contract.

In general, since Company has made significant investments in each of the warehouse in the form of leasehold improvements, racking equipment etc. and the termination would lead to additional expenses (losses) for dismantling and would lead to business disruption, the management in general has concluded that there is economic disincentive for the Company to discontinue / terminate any arrangement. Accordingly, applying Para B34 of Ind AS 116, except for specific cases, the Company concludes that non-cancellable period generally includes the lease period covered by the option to terminate.

(b) Determining the lease term of contracts with renewal options – Company as lessee

As per Ind AS 116, the period covered by extension option is included if the lessee is reasonably certain to exercise the option.

As reasonable certainty is a high threshold, the Company believes in most leases where the lease term is greater than 3 years assuming reasonable certainty on lease commencement date may not be appropriate and must be evaluated on a case to case basis, considering factors such as investment in the property, renewal lease rates, specific modifications to property to meet customer requirements, importance of the location and impact on overall business disruption etc.

C Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or at month end rate if the month end rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective
- qualifying cash flow hedges to the extent that the hedges are effective.

D Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

3 Material accounting polices (continued)

E Financial instruments (continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

− the asset is held within a business model whose objective is to hold assets 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.

All financial assets not classified as measured at amortised cost described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3 Material accounting polices (continued)

F Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

All items of Property, Plant and Equipment are stated at historical cost less Depreciation. Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases 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.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	**Useful life (in years)**
Office equipment	5
Computer equipment	3
Furniture & Fixtures	
a. Plastic Pallets	3
b. Other than Plastic Pallets	10
Plant and Machinery	15
Vehicle	3

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. The residual value of all the assets is 5% except vehicle which is taken at 20% of the original cost of the asset. 100% depreciation is charged for assets whose gross block is less than Rs 5000.

Leasehold improvements are depreciated over the period of lease or useful life as per Schedule II whichever is lower

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Vehicles given as employee car lease scheme are depreciated over the lease period after adjusting the residual value recoverable from the employees.

G Inventory

Cost of purchased inventory are determined after deducting rebates and discounts. Inventories are held for sale and stated at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary, based on management estimate. Net realisable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost is determined on First in First out (FIFO) basis.

3 Material accounting polices (continued)

H Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is ‘credit - impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company’s historical experience and informed credit assessment and including forward- looking information.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets, 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. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

3 Material accounting polices (continued)

H Impairment (continued)

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication 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. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

I Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in Profit and Loss over the period of the borrowings using the effective interest method. Borrowings are removed from the balance sheet once the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current liabilities unless the company has an unconditional right to defer the settlement of the liability for atleast 12 months after the reporting period. Where there is a breach of a material provision of a long term loan agreement on or before the end of the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

J Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, 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 amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme and Employees State Insurance Scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

3 Material accounting polices (continued)

J Employee benefits (continued)

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service (‘past service cost’ or ‘past service gain’) or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises any gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

The Company’s net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

K Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised 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 benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

L Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company’s right to receive payment is established.
Interest income or expense is recognised using the effective interest method.

The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the net carrying amount of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3 Material accounting polices (continued)

M Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on 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 at the time of the transaction;

Uncertainty over Income Tax Treatment

Tax treatment of an item is considered as uncertain when there is uncertainty whether the relevant taxation authority will accept the tax treatment of that item or not.

If there is uncertainty over tax treatment of an item:

1. An entity should determine an approach or method that predicts the resolution of the uncertainty. Based on the approach, the entity shall determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments.
2. It shall assess whether it is probable that the taxation authority will accept the uncertain tax treatment, assuming that the authority has full right to examine the treatment and has full knowledge of all related information.
3. If it is probable that the taxation authority will accept the tax treatment, there will be no impact on the amount of taxable profits/losses, tax bases, unused tax losses/credits and tax rates. In viceversa case, the entity shall show the effect of the uncertainty for each uncertain tax treatment on amount of related aforesaid items by using either the most likely outcome or the expected outcome of the uncertainty.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(iii) Current and deferred tax expense for the year

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3 Material accounting polices (continued)

N Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

O Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

P Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

Q Segment reporting

The Company is engaged in only one business namely logistics services covering transportation service and supply chain management services in Free Trade Warehousing Zones, material management solutions, tyre and wheel assembly solutions, In-plant warehouse and aftermarket warehousing services. The entity's chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company does not have multiple segments and these financial statements are reflective of the information required by Ind AS 108.

R Changes in accounting standards and disclosures

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8
The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.
The amendments had no impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1
The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.
The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12
The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.
The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.
The amendments are not expected to have a material impact on the Company's financial statements.

Standards notified but not yet effective
The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2024 to amend the following Ind AS which are effective from 01 April 2024.

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

4 Property, plant and equipment

A Reconciliation of carrying amount

	Office Equipment	Computer Equipment	Furniture & Fixtures	Leasehold Improvements	Plant & Machinery	Total (A)	Capital work-in-progress (B)	Total (A+B)
Balance as at 1st April 2022	59.51	12.28	54.35	19.95	34.56	180.65	6.70	187.35
Additions	1.37	-	1.67	-	1.76	4.80	-	4.80
Disposals	-	-	-	-	-	-		-
Balance at 31 March 2023	**60.88**	**12.28**	**56.01**	**19.95**	**36.32**	**185.45**	**6.70**	**192.14**
Additions								-
Disposals	-	-	-	-	-	-	-	-
Balance at 31 March 2024	**60.88**	**12.28**	**56.01**	**19.95**	**36.32**	**185.45**	**6.70**	**192.14**
Balance as at 1st April 2022	29.79	9.81	14.26	5.99	6.36	66.21	-	66.21
Depreciation for the year	10.36	1.27	5.51	1.89	2.30	21.32	-	21.32
Disposals	-	-	-	-	-	-	-	-
Balance at 31 March 2023	**40.15**	**11.07**	**19.77**	**7.88**	**8.66**	**87.54**	**-**	**87.54**
Depreciation for the year	10.29	0.48	5.38	1.90	2.30	20.36	-	20.36
Disposals	-	-	-	-	-	-	-	-
Balance at 31 March 2024	**50.43**	**11.56**	**25.15**	**9.78**	**10.96**	**107.89**	**-**	**107.89**
Carrying amounts (net)								
At 31 March 2023	**20.74**	**1.20**	**36.25**	**12.07**	**27.66**	**97.91**	**6.70**	**104.61**
At 31 March 2024	**10.45**	**0.72**	**30.86**	**10.17**	**25.36**	**77.55**	**6.70**	**84.25**

B. Ageing of capital work-in-progress

As of 31 March 2024	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**> 3 years**	**Total**
Projects in progress	-	-	6.70	-	**6.70**
Projects temporarily suspended	-	-	-	-	-
	-	**-**	**6.70**	**-**	**6.70**

As of 31 March 2023	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**> 3 years**	**Total**
Projects in progress	-	6.70	-	-	**6.70**
Projects temporarily suspended	-	-	-	-	-
	-	**6.70**	**-**	**-**	**6.70**

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

5 Right of use assets

a Underlying Asset

The Company as a lessee has obtained various premises in long term lease contracts to operate warehouse, parking yard. The ROU assets pertain to right to use the underlying assets i.e. warehouse premises, parking yard throughout the period of lease.

b Set out below are the carrying amounts of right of use assets recognised and the movements during the period

	Building	Total
Net carrying amount		
Balance as at 1st April 2022	**2,612.34**	**2,612.34**
Additions	3.76	**3.76**
Reversals *(less)*	-	-
Amortisation *(less)*	(511.60)	**(511.60)**
Balance as at 31st March 2023	**2,104.50**	**2,104.50**
Additions	190.78	190.78
Reversals *(less)*	-	-
Amortisation *(less)*	(618.87)	(618.87)
Balance as at 31st March 2024	**1,676.41**	**1,676.41**

c Set out below are the carrying amounts of lease liabilities and the movement during the period

	31 March 2024	31 March 2023
Balance at the beginning of the year	2,625.97	3,068.11
Additions	180.71	-
Accretion of interest	221.20	253.04
Payments	(812.39)	(682.95)
Reversals	-	(12.23)
Balance at the end of the year	**2,215.48**	**2,625.97**
Current	569.76	514.80
Non - Current	1,645.72	2,111.17

d The following are recognised in the statement of profit and loss

	31 March 2024	31 March 2023
Amortisation expenses of right of use assets	618.87	511.60
Interest expenses on lease liabilities	221.20	253.04
Expenses relating to short term leases	23.67	23.90
Total amount recognised in profit or loss	**863.74**	**788.53**

e Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	Within 5 years	More than 5 years	Total
31st March 2024			
Extension options expected not to be exercised	2,682.09	-	2,682.09
Termination options expected to be exercised	-	-	-
	2,682.09	**-**	**2,682.09**
31st March 2023			
Extension options expected not to be exercised	2,820.45	469.23	3,289.68
Termination options expected to be exercised	-	-	-
	2,820.45	**469.23**	**3,289.68**

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

7 Income tax

A Amounts recognised in profit or loss

	31 March 2024	31 March 2023
Current tax		
Current year	207.96	236.44
Deferred tax		
Attributable to–		
Right of use asset and lease liability	(4.43)	(16.54)
Origination and reversal of other temporary differences	15.68	10.60
	11.25	**(5.94)**
Income tax expense	**219.21**	**230.50**

B Income tax recognised in other comprehensive income

	31 March 2024			31 March 2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Remeasurements of defined benefit liability (asset)	(2.56)	0.64	(1.92)	4.56	(1.15)	3.41
	(2.56)	**0.64**	**(1.92)**	**4.56**	**(1.15)**	**3.41**

C Reconciliation of effective tax rate

	31 March 2024	31 March 2024	31 March 2023	31 March 2023
Profit before tax		868.05		902.47
Tax using the Company’s domestic tax rate	25.17%	218.49	25.17%	227.15
Effect of:				
Non-Deductible expenses	0.41%	3.55	0.74%	6.70
Permanent disallowance	0.40%	3.44	0.29%	2.59
Others	-0.80%	(6.98)	-0.66%	(5.94)
Effective tax rate	**25.17%**	**218.49**	**25.54%**	**230.50**

TVS TOYOTA TSUSHO SUPPLY CHAIN SOLUTIONS LIMITED
Notes to the financial statements for the year ended 31st March 2024 (continued)
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

7 Income tax (Continued)

D Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following

	Deferred tax (assets)		Deferred tax(liabilities)		Net deferred tax asset/(liabilities)	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Property, Plant and equipment	4.31	2.75	-	-	4.31	2.75
Provisions - employee benefits	10.23	13.31	-	-	10.23	13.31
Provisions - ECL & inventory	29.06	36.04	-	-	29.06	36.04
Expenses allowable on remittance of with-holding taxes	20.82	28.00	-	-	20.82	28.00
Right of use asset and lease liability	135.67	131.24	-	-	135.67	131.24
Deferred tax (assets) liabilities	**200.09**	**211.35**	**-**	**-**	**200.09**	**211.35**
Offsetting of deferred tax assets and deferred tax liabilities	-	-	-	-	-	-
Net deferred tax (assets) liabilities	**200.09**	**211.35**	**-**	**-**	**200.09**	**211.35**

Movement in temporary differences

	Balance as at 1st April 2022	Recognised in Equity as at 1st April 22	Recognised in profit or loss during the year	Recognised in OCI during the year	31 March 2023	Recognised in profit or loss during the year	Recognised in OCI during the year	Balance as at 31 March 2024
Property, plant and equipment	1.57		1.18	-	2.75	1.56	-	4.31
Provisions - employee benefits	18.70		(4.26)	(1.15)	13.31	(3.08)	0.64	10.23
Provisions - ECL & inventory	30.34		5.71	-	36.04	(6.98)	-	29.06
Expenses allowable on remittance of with-holding taxes	41.23		(13.23)	-	28.00	(7.18)	-	20.82
Right of use asset and lease liability	114.70		16.54	-	131.24	4.43	-	135.67
	206.53	**-**	**5.94**	**(1.15)**	**211.35**	**(11.26)**	**0.64**	**200.09**

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

6 Deposits and other receivables

	Non-current		Current	
	31 March 2024	**31 March 2023**	**31 March 2024**	**31 March 2023**
Security deposits				
Unsecured considered good	344.33	249.16	3.41	3.41
	344.33	**249.16**	**3.41**	**3.41**
Other receivables				
Gratuity plan assets	15.09	20.94	-	-
	15.09	20.94	-	-
	359.42	**270.10**	**3.41**	**3.41**

7 Deferred tax assets (net)

	31 March 2024	**31 March 2023**
Deferred income tax assets (DTA)		
Accrued compensation to employees	10.23	13.31
Provision for Inventory	-	8.08
Provision for doubtful trade receivables	29.06	27.96
Property plant and equipment	4.31	2.75
Net lease liability	135.67	131.24
Expenses allowable on remittance of withholding taxes	20.82	28.00
	200.09	**211.35**
	200.09	**211.35**

8 Inventories

	31 March 2024	**31 March 2023**
(at lower of cost or net realisable value)		
Stock in trade	78.79	75.81
Provision for inventory	(32.12)	(32.12)
	46.67	**43.69**

9 Trade receivables (Current)

	31 March 2024	**31 March 2023**
Trade receivables considered good - Unsecured	1,147.74	1,051.28
Trade receivables Unsecured, considered good from intercompanies	0.48	3.54
Trade receivables Unsecured, considered good from related parties	9.91	17.27
Trade receivable - credit impaired	83.34	111.09
	1,241.46	1,183.18
Less: Provision for credit impaired receivables	(83.34)	(111.09)
	1,158.13	**1,072.09**
Current portion	1,158.13	1,072.09

Ageing of trade receivable from the due date of payment:

31 March 2024	**Not due**	**< 6 months**	**6 months to 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Unsecured, considered good							
Undisputed, external	1,064.47	90.12	2.89	0.17	-	-	1,157.65
Intercompany	0.48		-	-	-	-	0.48
	1,064.95	90.12	2.89	0.17	-	-	1,158.13
Trade Receivables - credit impaired							
Undisputed, external	4.53	62.40	3.83	12.59		-	83.34
Intercompany	-	-	-	-	-	-	-
	4.53	62.40	3.83	12.59	-	-	83.34
	1,069.49	**152.52**	**6.72**	**12.75**	**-**	**-**	**1,241.46**

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

Trade receivables (contiuned)

31 March 2023	**Not due**	**< 6 months**	**6 months to 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Unsecured, considered good							
Undisputed, external	555.04	513.50		-	-	-	1,068.55
Disputed, external	-	-	-	-	-	-	-
Intercompany	-	3.54	-	-	-	-	3.54
	555.04	517.04	-	-	-	-	1,072.09
Trade Receivables - credit impaired							
Undisputed, external	3.39	75.67	9.82	22.20	0.01	-	111.09
Disputed, external	-	-	-	-			-
Intercompany	-	-	-	-	-	-	-
	3.39	75.67	9.82	22.20	0.01	-	111.09
	558.44	**592.71**	**9.82**	**22.20**	**0.01**	**-**	**1,183.17**

10 Cash and cash equivalents	**31 March 2024**	**31 March 2023**
Cash on hand	0.15	0.15
	0.15	**0.15**
Balance with banks		
On current accounts	346.52	223.71
Deposits with original maturity of less than three months		-
	346.52	**223.71**
Other bank balances		
Deposits with bank less than 3months maturity	212.30	200.00
	212.30	**200.00**
	558.97	**423.86**

11A Other bank balances	**31 March 2024**	**31 March 2023**
Fixed deposits with banks with original maturity of more than 3 months but less than 12 months (including interest accrued thereon)	1,811.54	1,526.16
	1,811.54	**1,526.16**

11 Other financial assets	**31 March 2024**	**31 March 2023**
Employee advances	9.30	8.25
	9.30	**8.25**

12 Other assets	**Non-current**		**Current**	
	31 March 2024	**31 March 2023**	**31 March 2024**	**31 March 2023**
Advance for supply of goods and services to parties other than related parties				
Unsecured considered good	-	-	33.67	20.57
	-	**-**	**33.67**	**20.57**
Other current assets				
Prepaid expenses	-	-	0.63	0.50
Unbilled revenue	-	-	191.91	135.04
	-	**-**	**192.54**	**135.54**
	-	**-**	**226.21**	**156.11**

13 Equity share capital

	31 March 2024	31 March 2023
Authorised share capital		
2,000,000 (31 March 2023 : 2,000,000) equity shares of INR 10 each	200.00	200.00
Issued, subscribed and paid up capital		
2,000,000 (31 March 2023 : 2,000,000) equity shares of INR 10 each	200.00	200.00
Total issued, subscribed and paid up capital	**200.00**	**200.00**

Reconciliation of shares outstanding at the beginning and at end of the reporting period

	31 March 2024		31 March 2023	
	Nos In lakhs	INR in lakhs	Nos In lakhs	INR in lakhs
Equity shares				
At the beginning of the year	20.00	200.00	20.00	200.00
Movement during the year	-	-	-	-
Outstanding at the end of the year	**20.00**	**200.00**	**20.00**	**200.00**

Rights, preferences and restrictions attached to equity shares
The company has one class of equity shares having face value of ₹ 10 per share. Each holder of equity shared is entitled to one vote per share.
The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting ("AGM").

Shares held by holding / ultimate holding company and / or their subsidiaries / associates

Shares of the company held by holding / ultimate holding company
Out of the equity shares issued by the Company, shares held by the holding company are stated below:

	31 March 2024	31 March 2023
TVS Supply Chain Solutions Limited		
1,200,000 (31 March 2023: 1,200,000) equity shares of ₹ 10 each fully paid up	120.00	120.00

Details of shareholders holding more than 5% shares in the company

	31 March 2024		31 March 2023	
	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹ 10 each, fully paid up				
TVS Supply Chain Solutions Limited	12,00,000	60%	12,00,000	60%
Toyota Tsusho India Private Limited	8,00,000	40%	8,00,000	40%

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

14

A Other equity

Retained Earnings

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

	31 March 2024	31 March 2023
Retained earnings	2,989.52	2,340.68
	2,989.52	**2,340.68**

Retained earnings	**31 March 2024**	**31 March 2023**
Opening balance	2,340.68	1,668.72
Ind AS 115 transition adjustment		
Net profit for the year	648.84	671.96
Other comprehensive income for the year (Net of tax)	-	-
	2,989.52	**2,340.68**

B Changes in item of OCI

Remeasurement of defined benefit liability

	31 March 2024	31 March 2023
Opening Balance	2.27	(1.14)
Remeasurement of defined benefit liability	(1.92)	3.41
Closing Balance	**0.35**	**2.27**

15 Lease liabilities

	Non-current		Current	
	31 March 2024	**31 March 2023**	**31 March 2024**	**31 March 2023**
Lease liabilities (Refer note 5)	1,645.72	2,111.17	569.76	514.80
	1,645.72	**2,111.17**	**569.76**	**514.80**

16 Provisions

	Non-current		Current	
	31 March 2024	**31 March 2023**	**31 March 2024**	**31 March 2023**
Provisions for employee benefits				
Liability for compensated absences	8.08	8.42	8.75	10.82
	8.08	**8.42**	**8.75**	**10.82**

17 Trade payables

	31 March 2024	31 March 2023
Trade payables to related parties	5.84	-
Total outstanding dues to Micro & Small Enterprises (Refer Note 36)	-	-
Total outstanding dues of creditors other than Micro & Small Enterprises	513.45	523.75
Other trade payables - Intercompany	18.51	21.73
	537.80	**545.48**

31 March 2024	**Not due**	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Undisputed dues - Others	13.17	325.46	48.32	112.03	20.31	519.29
Intercompany	11.93	-	1.91	-	4.67	18.51
	25.10	**325.46**	**50.24**	**112.03**	**24.98**	**537.80**

31 March 2023	**Not due**	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Undisputed dues - Others	498.13	5.32	-	-	20.31	523.75
Intercompany	15.15	1.91	1.93	2.73	-	21.73
	513.28	**7.23**	**1.93**	**2.73**	**20.31**	**545.48**

18 Other financial liabilities

	31 March 2024	31 March 2023
Amount due to employees	69.69	90.45
	69.69	**90.45**

19 Income tax liabilities (net)

	31 March 2024	31 March 2023
Income tax payables (net of tax deducted at source & advance tax)	46.81	45.04
	46.81	**45.04**

20 Other current liabilities

	31 March 2024	31 March 2023
Statutory dues	57.94	55.00
	57.94	**55.00**

Notes to the financial statements for the year ended 31st March 2024 (continued)
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

21	**Revenue from operations**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Sale of goods	626.82	614.70
	Sale of services		
	Income from supply chain management services (Refer Note 37)	4,510.87	4,403.55
		5,137.69	**5,018.25**

22	**Other income**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Interest income from Bank	133.52	64.98
	Interest income - security deposit	30.32	21.73
	Exchange difference gain (net)	14.03	85.09
	Provision for bad and doubtful debts & liabilities written back	171.62	165.99
	Other non operating income	1.20	4.18
		350.68	**341.98**

23	**Cost of material consumed**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Consumption of stores and spares	3.94	1.89
	Purchase of stock-in-trade	361.94	345.91
		365.87	**347.80**

24	**Change in Inventories**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Opening stock of traded goods	43.69	40.35
	Closing stock of traded goods	(46.67)	(43.69)
		(2.98)	**(3.34)**

25	**Employee benefits expense**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Salaries, wages and bonus	497.63	548.39
	Contribution to provident and other funds (Refer Note 31.1)	49.42	57.45
	Expenses related to post-employment defined benefit plans (Refer Note 31.2)	3.29	5.70
	Expenses related to compensated absences	4.30	5.04
	Staff welfare expenses	47.21	50.84
		601.85	**667.42**

26	**Finance costs**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Interest expenses	(0.01)	0.04
	Interest on lease liabilities	221.20	253.04
		221.18	**253.08**

27	**Depreciation and amortization expense**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Depreciation of property, plant and equipment	20.36	21.32
	Amortisation of right of use asset	618.87	511.60
		639.23	**532.92**

28 Other expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Staff transportation charges	97.36	77.70
Material handling charges	7.74	11.04
Casual labour charges	484.05	370.24
Freight charges	1,556.18	1,519.09
Hire charges	57.72	82.97
Power and fuel	18.70	15.93
Rent	23.67	23.90
Rates and taxes	141.60	153.50
Insurance	1.05	-
Repairs and maintenance - buildings & Others	57.39	56.52
Travelling and conveyance	-	5.53
Communication costs	10.44	12.03
Printing and stationery	0.73	5.38
Bank charges	1.30	0.87
Legal and professional fees	270.99	233.01
Security expenses	44.23	47.26
Payment to auditors (refer note 28 (a))	7.00	6.65
Provision for credit impaired receivables	-	22.67
Corporate social responsibility expenses	13.65	10.31
Miscellaneous expenses	1.37	5.29
	2,795.17	**2,659.89**

(a) Details of payment to auditors

Statutory audit	6.50	6.15
Tax audit	0.50	0.50
	7.00	**6.65**

29 Earnings per share

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

(i) Profit (loss) attributable to equity shareholders	31 March 2024	31 March 2023
Profit (loss) for the year, attributable to the equity holders	648.84	671.97

(ii) Weighted average number of equity shares	31 March 2024	31 March 2023
Weighted average number of equity shares outstanding during the year (in lakhs)	20.00	20.00
Weighted average number of equity shares for the year	**20.00**	**20.00**
Basic and diluted earnings per share (Rs.)	32.44	33.60
Face value per Equity Share (Rs.)	10.00	10.00

30 Operating segments

The Company is engaged in only one business namely logistics services covering transportation service and supply chain management services in Free Trade Warehousing Zones, material management solutions, tyre and wheel assembly solutions, In-plant warehouse and aftermarket warehousing services. The entity's chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company does not have multiple segments and these financial statements are reflective of the information required by Ind AS 108.

A. Geographic information:

The geographic information analyses the Company's revenue by country of domicile and other countries. In presenting the geographical information, revenue has been determined based on the geographic location of the customers.

	31 March 2024	31 March 2023
India	5,137.69	5,018.25
	5,137.69	**5,018.25**

The Company's operations are entirely carried in India and as such all its non-current assets are located in India.

B. Major Customers

Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:

	31 March 2024	31 March 2023
Customer A	2,455.31	2,264.16
Customer B	1,928.84	1,800.06
	4,384.15	**4,064.22**

31 Employee benefits

31.1 Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund (PF) and employees' state insurance (ESI) scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and ESI for the year aggregated to INR 49.42 Lakhs (March 31, 2023: INR 57.45 lakhs)

31.2 Defined benefit plans

	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Provision for gratuity	-	-	-	-

The Company has a defined benefit gratuity plan in India (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee at the time of retirement, death or termination of employment.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

Funding :

The gratuity plan of the Company is a funded plan with the Company making periodic contributions to a fund managed by Life Insurance Corporation (LIC).

31.3 Other Long term employee benefits

The employees can carry-forward a portion of the unutilized accrued earned leave and utilize it in future service periods or receive cash compensation on termination of employment.

Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

31.4 Assets and liabilities relating to employee benefits

	31 March 2024	31 March 2023
Net defined benefit liability/(asset) for Gratuity	(15.09)	(20.94)
Liability for compensated absences	16.83	19.23
Total employee benefit liabilities	**1.74**	**(1.71)**

A Gratuity

(i) Reconciliation of present value of defined benefit obligation

	31 March 2024	31 March 2023
Balance at the beginning of the year	27.27	22.97
Benefits paid	-	-
Current service cost	5.22	7.12
Interest cost	1.56	1.07
Past service gain		
Actuarial (gains) losses recognised in other comprehensive income		
Changes in demographic assumptions	1.80	(3.17)
Changes in financial assumptions	0.07	(0.91)
Experience adjustments	0.59	0.19
Balance at the end of the year	**36.52**	**27.27**

(ii) Expense recognised in Statement of Profit and Loss

	31 March 2024	31 March 2023
Current service cost	5.22	7.12
Interest cost / (Income)	1.56	1.07
Interest income	(3.49)	(2.50)
	3.29	**5.70**

(iii) Remeasurements recognised in other comprehensive income

	31 March 2024	31 March 2023
Actuarial (gain) loss on defined benefit obligation	2.56	(4.56)
Return on plan assets excluding interest income	-	-
	2.56	**(4.56)**

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

A Gratuity (Continued)

(iv) Changes in fair value of plan assets

	31 March 2024	31 March 2023
Fair value of plan assets as at the beginning	48.20	45.04
Interest income	3.49	2.50
Actuarial gain/(loss) on Plan assets	(0.09)	0.67
Fair value of plan assets as at the end	**51.61**	**48.20**

The gratuity plan of the Company is a funded plan with the Company making periodic contributions to a fund managed by Life Insurance Corporation (LIC).

(v) Major categories of plan assets (as a percentage of total plan assets)

	31 March 2024	31 March 2023
Funds managed by insurer	100%	100%

(vi) Assets and Liability Balance Sheet Position

	31 March 2024	31 March 2023
Present value of obligation	(36.52)	(27.27)
Fair value of plan assets	51.61	48.21
Net asset / (liability)	**15.09**	**20.94**

Plan assets

D. Defined benefit obligation

B Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted average)

	31 March 2024	31 March 2023
Gratuity		
Discount rate	7.14%	7.24%
Future salary growth	10.00%	10.00%
Attrition rate	39.00%	45.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Leave		
Discount rate	7.14%	7.24%
Future salary growth	10.00%	10.00%
Attrition rate	39.00%	45.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

C Sensitivity analysis

	31 March 2024		31 March 2023	
	Increase	Decrease	Increase	Decrease
Gratuity				
Discount rate (1% movement)	(0.73)	0.76	(0.51)	0.52
Future salary growth (1% movement)	0.87	(0.85)	0.61	(0.61)
Attrition rate (50% movement)	(4.94)	9.29	(4.14)	8.80

	31 March 2024	31 March 2023
Expected cash flows over the next (valued on undiscounted basis):	Gratuity	Gratuity
1 year	15.28	11.40
2 to 5 years	20.90	16.64
6 to 10 years	5.97	3.43
More than 10 years	0.81	0.26

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

32	**Contingent liabilities and capital commitments**	**31 March 2024**	**31 March 2023**
	Contingent liabilities - GST related matters	41.24	41.24

From time to time, the Company is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations, or cash flows of the Company

Estimated capital commitments	-	-

33 Related party disclosure

A Parent and ultimate controlling party

Related parties with whom transactions have taken place during the year:

Nature of relationship	**Name of the entity**
Holding company	TVS Supply Chain Solutions Limited
Key managerial personnel	Kohei Maruoka (From October 06, 2023) - Managing Director
	S. Ravichandran - Director
	R. Shankar- Director
	Raviprakash Bhagavathula- Director
	Lokesha (From June 08,2023) - Director
	Hiroshi Oishi - Managing Director (Upto June 08, 2023)
	Tadashi Onishi - Director (Upto June 08, 2023)
Key managerial personnel of Holding company	Ravi Viswanathan, Managing Director
Entity having significant influence on the Company	Toyota Tsusho India Private Limited
Subsidiary of Toyota Tsusho India Private Limited	TT Bharat Integrated Logistics Private Limited
	Toyotsu Bharat Integrated Services Private Limited
Other related entities	TVS Motor Company Limited
	Sundaram Industries Private Limited
	Sundaram Fasteners Limited

B Related party transactions other than those with key managerial personnel

Transactions during the year:	**31 March 2024**	**31 March 2023**
Income from logistics services		
T V Sundaram Iyengar & Sons Private Limited	(2.31)	-
TVS Mobility Private Limited	16.69	10.04
Toyota Tsusho India Private Limited	14.59	21.47
Sundaram Industries Private Limited	18.73	18.76
Sundaram Fasteners Limited	0.66	0.74
TT Bharat Integrated logistics Private Limited	3.57	15.09
Toyotsu Bharat Integratedservices Pvt Ltd	18.09	-
TVS SCS Global Freight Solutions Limited	1.97	-
Reimbursement for expenses		
TVS Supply Chain Solutions Limited	-	3.00
T V Sundaram Iyengar & Sons Private Limited	(1.79)	-
TVS Mobility Private Limited	3.81	2.78
Toyota Tsusho India Private Limited	3.93	8.31
Sundaram Industries Private Limited	-	-
MIP		
TVS Supply Chain Solutions Limited	-	1.91

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

B Related party transactions other than those with key managerial personnel (Continued)

	31-March-2024	31-March-2023
Professional services		
TVS Supply Chain Solutions Limited	180.75	194.07
TT Bharat Integrated logistics Private Limited	10.82	65.80
Toyotsu Bharat Integratedservices Pvt Ltd	62.62	-
Purchase of Stock in Trade		
TVS Supply Chain Solutions Limited	196.36	242.68
Rent		
TVS Supply Chain Solutions Limited	3.24	3.00
TVS Mobility Private Limited	2.00	2.00
Corporate social responsibility Expenses		
TVS Supply Chain Solutions Limited	13.65	10.31

C Year end balances

	31 March 2024	31 March 2023
Receivables		
Toyota Tsusho India Private Limited	1.78	1.12
TT Bharat Integrated Logistics Private Limited	-	2.68
Toyotsu Bharat Integratedservices Pvt Ltd	2.32	-
T V Sundaram Iyengar & Sons Limited	-	4.10
TVS Mobility Private Limited	2.06	-
Sundaram Industries Private Limited	3.69	9.25
Sundaram Fasteners Limited	0.06	0.12
TVS Supply Chain Solutions Limited	-	3.54
TVS SCS Global Freight Solutions Limited	0.48	-
(Payables)		
TVS Supply Chain Solutions Limited	18.51	21.73
Toyotsu Bharat Integratedservices Pvt Ltd	5.84	-

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

34 Financial instruments - Fair values and risk management

A Accounting classifications and fair value

This section explains the carrying amounts and fair values of financial assets and liabilities, including judgements and estimates made in determining the fair values of the standalone financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as described in Note 3.

		31 March 2024			31 March 2023		
	Note	**FVTPL**	**FVOCI**	**Amortised cost**	**FVTPL**	**FVOCI**	**Amortised cost**
Finance assets not measured at fair value							
Deposits and other receivables	**6**	-	-	362.83	-	-	273.51
Trade receivables	**9**	-	-	1,158.13	-	-	1,072.09
Cash and cash equivalents	**10**	-	-	558.97	-	-	423.86
Other financial assets	**11**	-	-	9.30	-	-	8.25
Other bank balances	**11A**			1,811.54			1,526.16
		-	**-**	**3,900.77**	**-**	**-**	**3,303.87**
Financial liabilities not measured at fair value							
Lease Liabilities	**15**	-	-	2,215.48	-	-	2,625.97
Trade payables	**17**	-	-	537.80	-	-	545.48
Other financial liabilities	**18**	-	-	69.69	-	-	90.45
Borrowings		-	-	-	-	-	-
		-	**-**	**2,822.97**	**-**	**-**	**3,261.90**

B Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the standalone financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(a) Financial assets and liabilities measured at amortised cost

C Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

C Financial risk management (contd.)

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments.
The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The

Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of the Company's trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for trade and other receivables are as follows:

	Carrying amount	
	31 March 2024	**31 March 2023**
Trade receivables	1,158.13	1,072.09
Unbilled revenue	191.91	135.04
Total trade and other receivables	**1,350.04**	**1,207.13**
Deposits and other receivables	362.83	273.51
Cash & cash equivalents	558.97	423.86
Other bank balances	1,811.54	1,526.16
Other financial assets	9.30	8.25
Total	**4,092.68**	**3,438.92**

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.
Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.
The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available press information about customers. In order to calculate the loss allowance, loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency through write-off. Roll rates are calculated separately for exposures in different stages of delinquency primarily determined based on the time period for which they are past due.

The company has concentration of credit risk due to the fact that the company has significant receivables from the major customers amounting to Rs. 1,158.13 lakhs (31 March 2023 - Rs. 1,072.09 Lakhs) . However these customers are highly reputed and credit worthy and regular in making payments.
The ageing of trade receivables that were not impaired as at the reporting date was:

C Financial risk management (contd.)

31 March 2024	Gross carrying amount	Weighted-average loss rate	Loss allowance	Net carrying amount
Not due	1,069.49	0.42%	4.53	1,064.95
Past due 1-90 days	131.80	31.62%	41.67	90.13
Past due 90-180 days	20.72	100.00%	20.72	-
Past due 181-270 days	6.40	55.19%	3.53	2.87
Past due 271-365 days	0.29	100.00%	0.29	-
Past due for more than 365 days	12.75	98.65%	12.58	0.17
Total	**1,241.46**		**83.33**	**1,158.13**

31 March 2023	Gross carrying amount	Weighted-average loss rate	Loss allowance	Net carrying amount
Not due	558.44	0.61%	3.39	555.04
Past due 1-90 days	574.26	9.96%	57.22	517.04
Past due 90-180 days	18.45	100.00%	18.45	(0.00)
Past due 181-270 days	8.88	100.00%	8.88	-
Past due 271-365 days	0.94	100.00%	0.94	-
Past due for more than 365 days	22.20	100.00%	22.20	-
Total	**1,183.17**		**111.08**	**1,072.09**

Movements in the allowance for impairment in respect of trade receivables and loans

The movement in the allowance for impairment in respect of trade receivables and loans is as follows:

	31 March 2024	31 March 2023
Balances at 1 April 2023	111.09	20.72
Provision for the year		22.67
Balance of specific provision	(27.75)	67.69
Bad debts written off	-	-
Balance as at 31 March 2024	**83.34**	**111.09**

Cash and bank balances

The Company holds cash and bank balances of INR 2,370.51 lakhs at 31 March 2024 (31 March 2023: INR 1950.02 lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables

This balance is primarily constituted by security deposit given in relation to leasehold premises occupied by the Company for carrying out its operations. The Company does not expect any losses from non-performance by these counter-parties.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company’s approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities and assets at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

TVS TOYOTA TSUSHO SUPPLY CHAIN SOLUTIONS LIMITED

Notes to the financial statements for the year ended 31st March 2024 (continued)
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

C Financial risk management (contd.)

	Carrying amount	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
31 March 2024							
Non derivative financial liabilities							
Lease liabilities	2,215.48	2,215.48	284.88	284.88	1,645.72		
Trade payables	537.80	537.80	537.80	-	-	-	-
Other financial liabilities	69.69	69.69	69.69	-	-	-	-
Borrowings	-	-	-	-	-	-	-
	2,822.97	**2,822.97**	**892.37**	**284.88**	**1,645.72**	**-**	**-**

	Carrying amount	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
31 March 2023							
Non derivative financial liabilities							
Lease liabilities	2,625.97	2,581.36	315.49	315.49	489.64	1,460.75	
Trade payables	545.48	545.48	545.48	-	-	-	-
Other financial liabilities	90.45	90.45	90.45	-	-	-	-
Borrowings							-
	3,261.90	**3,217.29**	**951.41**	**315.49**	**489.64**	**1,460.75**	**0.00**

iv. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Companies income or the value of holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

The following table analyzes foreign currency risk from financial instruments:

	As at 31 March 2024		As at 31 March 2023	
	INR	**USD**	**INR**	**USD**
Financial assets:				
Trade receivables	785.10	9.42	728.14	8.86
Net assets / (liabilities)	**785.10**	**9.42**	**728.14**	**8.86**

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues,receivables etc. are denominated in a currency other than the INR. The company does not hedge its foreign currency risk.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar against INR at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit / loss before tax		Equity, net of tax	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
31 March 2024				
USD (1% movement)	(7.85)	7.85	(7.28)	7.28
31 March 2023				
USD (1% movement)	(7.28)	7.28	(10.94)	10.94

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

C Financial risk management (contd.)

Interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

Fixed rate instruments

Financial assets	**As at 31 March 2024**	**As at 31 March 2023**
- Deposits with banks	1,811.54	1,526.16

Fair value sensitivity analysis for fixed-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (loans given, investments made and borrowings) are carried at amortised cost, any changes in interest rates are not considered for subsequent measurement.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

D Capital Management

The Company’s objective when managing capital is to

a) Safeguard its ability to continue as going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders; and

b) Maintain an optimal capital structure to reduce the cost of capital.

The Company maintains its financial framework to support the pursuit of value growth for shareholders, while ensuring a secure financial base. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Company consists of total equity (Refer Note 13 & 14). The Company is not subject to any externally imposed capital requirements.

The Company’s Board reviews the capital structure on a regular basis. As part of this review, the Board considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity.

The company monitors capital using capital gearing ratio, which is net debt divided by total capital plus net debt

Net debt comprises of long and short term borrowings less cash and bank balances. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Debt	-	-
Less : Cash and Bank Balances	2,370.51	1,950.02
Net Debt (A)	(2,370.51)	(1,950.02)
Equity (B)	3,189.85	2,542.95
Net debt to Equity Ratio (A/B)	(0.74)	(0.77)

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

35 Ratios Analysis

Ratios	Numerator	Denominator	31 March 2024	31 March 2023	% change
Current ratio	Current assets	Current liabilities	2.96	2.56	15%
Debt equity ratio	Total debt	Shareholder’s equity*	-	-	0%
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & lease payments + Principal repayments	1.67	1.80	-7%
Return on equity	Profit / (loss) attributable to Owners of the Company	Shareholder’s equity	20.34%	26.42%	-23%
Inventory Turnover ratio	Cost of goods sold	Average Inventory	8.03	8.20	-2%
Trade receivable turnover ratio	Net credit sales = Gross credit sales - sales return	Average trade receivable	4.61	3.63	27%
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	0.68	0.44	54%
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	2.04	2.54	-20%
Net profit percentage	Net profit	Net sales = Total sales - sales return	12.63%	13.39%	-6%
Return on capital employed	Earnings before interest and taxes	Capital employed = Tangible net worth + total debt + deferred tax liability	34.15%	45.44%	-25%

* The Company does not have any debts outstanding and hence this ratio is not applicable.

<u>Reasons for change more than 25%</u>

Trade receivable turnover ratio	The ratio has improved in current year due to higher collections.
Trade Payable Turnover Ratio	The increase in ratio is due to increase in credit period from creditors.

(All amounts are in Indian rupees (₹) lakhs except share data and otherwise stated)

	36 Corporate social responsibility (applicable for Companies registered in India)	**31 March 2024**	**31 March 2023**
a	Amount required to be spent during the period	13.65	10.31
b	Amount approved by the board to be spent during the period	13.65	10.31
c	Amount spent during the period on:		
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than i) above - In cash	13.65	10.31
d	Amount of expenditure incurred	13.65	10.31
e	Payment to related parties (TVS Supply Chain Solutions Limited)	13.65	10.31
f	Nature of CSR activities		
	Activities specified in Schedule VII of the Act	13.65	10.31

37 Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers":

A. Disaggregated revenue information

Segment	**31 March 2024**			**31 March 2023**		
	India	**Outside India**	**Total**	**India**	**Outside India**	**Total**
Type of goods or service						
Revenue from operations	5,137.69	-	5,137.69	5,018.25	-	5,018.25
Total revenue from contracts with customers	**5,137.69**	**-**	**5,137.69**	**5,018.25**	**-**	**5,018.25**

B. Timing of revenue recognition

Particulars	**31 March 2024**	**31 March 2023**
Goods transferred at a point in time	626.82	614.70
Services transferred over time	4,510.87	4,403.55
Total revenue from contracts with customers	**5,137.69**	**5,018.25**

C. Summary of contract balances

Particulars	**31 March 2024**	**31 March 2023**
Trade Receivables (Gross)	1,231.07	1,162.37
Contract assets	191.91	135.04
Advance from Customers	-	-

D. Reconciliation of Revenue from sale of products/services with the contracted price

There is no difference between the revenue recognised in the Statement of profit and loss with the contracted price.

(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

38 Other Statutory infromation

A Micro, Small and Medium Enterprises Development Act, 2006

The Company has sought information from its existing suppliers regarding their registration under Micro, Small and Medium Enterprises Development Act, 2006. Based on the confirmations received so far, information as required to be disclosed under the above Act is nil.

B Benami property

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

C Borrowings on the basis of current assets

The Company has not availed any borrowing on the basis of current assets during the current financial year.

D Relationship with struck off companies

The Company does not have any transactions with struck off Companies in the current financial year.

E Undisclosed income

The Company has no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

F Disclosure on Funding Transactions

There are no funds that 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 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.

There are no funds that have been received by the Company from any person(s) 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.

G Crypto transactions

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

H Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of this financial statements.

39 Audit Trail

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with.

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

for and on behalf of the board of directors of
TVS Toyota Tsusho Supply Chain Solutions Limited

Bharath N S	**S Ravichandran**	**Kohei Maruoka**
Partner	Director	**Managing Director**
Membership No. 210934	DIN: 01485845	DIN: 10341982
Place : Chennai	Place : Chennai	Place : Chennai
Date : 24 May 2024	Date : 24 May 2024	Date : 24 May 2024

White Data Systems India Private Limited

FY 2023-24

INDEPENDENT AUDITOR'S REPORT

To the Members of White Data Systems India Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of White Data Systems India Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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 March 31, 2024, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, 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;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act;

(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) This report does not include Report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the Company basis the exemption available to the Company under MCA notification no. G.S.R. 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls with reference to financial statements;

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2024;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 36 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, other than as disclosed in the note 36 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; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer Note 37 to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 24210934BKFUMY3528
Place of Signature: Chennai
Date: May 24, 2024

White Data Systems India Private Limited
CIN: U72200TN2015PTC129978
Balance Sheet as at March 31, 2024
(All amounts in Indian Rupees lakhs, unless otherwise stated)

	Note No	As at March 31,2024	As at March 31,2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	11.96	22.55
Intangible assets	4a	1,871.50	2,417.32
Right-of-use asset	28a	21.08	51.63
Financial assets:			
Deposits and other receivables	5	16.06	16.68
Deferred tax assets	14	230.99	-
Other non-current assets	6	45.13	88.06
		2,196.72	2,596.24
Current assets			
Financial assets			
Trade receivables	7	278.33	440.09
Cash and cash equivalents	8	16.14	26.57
Loans	9	-	190.00
Other financial assets	5	41.94	8.41
Other current assets	10	45.31	32.90
		381.72	697.97
Total assets		**2,578.44**	**3,294.21**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	413.30	413.30
Other equity	12	1,690.40	2,380.65
Total equity		2,103.70	2,793.95
Non-current liabilities			
Deferred tax liabilities	14	-	106.39
Long term provisions	13	32.90	43.99
Lease liability	28 c	3.04	17.43
		35.94	167.80
Current Liabilities			
Financial liabilities			
Lease liability	28 c	17.95	34.94
Trade payables	15		
- Total outstanding dues of micro enterprises and small enterprises		0.90	9.55
- Total outstanding dues of creditors other than micro enterprises and small enterprises		375.24	235.32
Short term provisions	16	20.35	32.24
Other current liabilities	17	24.36	20.40
		438.80	332.46
Total liabilities		474.74	500.26
Total equity and liabilities		**2,578.44**	**3,294.21**

Summary of material accounting policies
The accompanying notes are an integral part of the financial statements

As per our report of even date
For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Regn. No: 101049W/E300004

Bharath N S
Partner
Membership No: 210934

Place: Chennai
Date : 24 May 2024

On behalf of the board
For White Data Systems India Private Limited

Ravi Viswanathan
Director
DIN : 08713910

Place: Chennai
Date : 24 May 2024

Raviprakash Bhagavathula
Director
DIN : 07282100

Place: Chennai
Date : 24 May 2024

White Data Systems India Private Limited
CIN: U72200TN2015PTC129978
Profit and Loss account for the period ended 31st March 2024
(All amounts in Indian Rupees lakhs, unless otherwise stated)

	Note No	Year ended 31 March 2024	Year ended 31 March 2023
Revenue			
Revenue from contracts with customers	18	545.82	466.60
Other income	19	32.58	59.21
Total income	4a	578.40	525.81
Expenses			
Employee benefits expense	20	674.45	290.90
Depreciation and amortisation expense	21	587.85	382.93
Finance costs	22	3.26	20.94
Other expenses	23	353.81	274.67
Total expenses		1,619.37	969.45
Profit/(Loss) before tax		(1,040.97)	(443.64)
Income tax expense			
- Deferred tax	24	(340.85)	97.78
Profit/(Loss) for the year (I)		**(700.12)**	**(541.41)**
Other Comprehensive Income:			
Other Comprehensive Income not to be reclassified to Statement of Profit and Loss in subsequent periods:			
Re-measurement loss on defined benefit obligations			
Other Comprehensive Loss for the year	25	13.33	(0.46)
Income tax relating to items that will not be reclassified to profit or loss		(3.47)	0.11
Other Comprehensive Profit/(Loss)for the year(II)		9.86	(0.34)
Total Comprehensive Income for the Year, Net of Tax (I + II)		(690.26)	(541.76)
Earnings Per Equity Share of Rs. 10 each (Previous year - Rs. 10 each)			
Basic	26	(16.94)	(13.10)
Diluted	26	(16.94)	(13.10)

Summary of material accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Regn. No: 101049W/E300004

Bharath N S
Partner
Membership No: 210934

Place: Chennai
Date : 24 May 2024

On behalf of the board
For White Data Systems India Private Limited

Ravi Viswanathan
Director
DIN : 08713910

Place: Chennai
Date : 24 May 2024

Raviprakash Bhagavathula
Director
DIN : 07282100

Place: Chennai
Date : 24 May 2024

White Data Systems India Private Limited
CIN: U72200TN2015PTC129978
Statement of changes in equity for the year ended March 31 2024
(All amounts in Indian Rupees lakhs, unless otherwise stated)

a. Equity Share Capital	**As at March 31,2024**	**As at March 31,2023**
As at beginning of the year Equity shares of Rs.10 each issued, subscribed and fully paid		
Issue of share capital	413.30	413.30
	-	-
As at end of the year	**413.30**	**413.30**

Details of shareholders holding more than 5% shares in the company

	As at March 31,2024		**As at March 31,2023**	
Equity shares	**No.of Shares (In lakhs)**	**% holding**	**No.of Shares (In lakhs)**	**% holding**
TVS Supply Chain Solutions Limited	41.33	100%	21.08	51%
Cholamandalam Investment and Finance Company Limited	-	-	12.76	31%
Lakshmanan Vellayan	-	-	3.71	9%
Narayanan Vellayan	-	-	3.71	9%

b. Other Equity

	Reserves & Surplus		**OCI**	
Particulars	**Retained Earnings**	**Securities premium**	**FVTOCI Reserve**	**Total Other Equity**
As at March 31,2023	**(2,379.64)**	**4,756.56**	**3.74**	**2,380.66**
Profit / (loss) for the year	(700.12)	-	-	(700.12)
Other Comprehensive Income for the year		-	9.86	9.86
				-
As at March 31,2024	**(3,079.76)**	**4,756.56**	**13.60**	**1,690.41**

For the year ended March 31, 2023

	Reserves & Surplus		**OCI**	
Particulars	**Retained Earnings**	**Securities premium**	**FVTOCI Reserve**	**Total Other Equity**
As at March 31,2022	**(1,838.23)**	**4,756.56**	**4.08**	**2,922.41**
Profit / (loss) for the year	(541.41)	-	-	(541.41)
Other Comprehensive Income for the year	-	-	(0.34)	(0.34)
				-
As at March 31,2023	**(2,379.64)**	**4,756.56**	**3.74**	**2,380.66**

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Regn. No: 101049W/E300004

Bharath N S
Partner
Membership No: 210934

Place: Chennai
Date : 24 May 2024

On behalf of the board
For White Data Systems India Private Limited

Ravi Viswanathan
Director
DIN : 08713910

Place: Chennai
Date : 24 May 2024

Raviprakash Bhagavathula
Director
DIN : 07282100

Place: Chennai
Date : 24 May 2024

White Data Systems India Private Limited
CIN: U72200TN2015PTC129978
Statement of cash flows for the year ended 31 March 2024
(All amounts in Indian Rupees lakhs, unless otherwise stated)

		Year ended March 31,2024	Year ended March 31,2023
A.	**Cash Flow from Operating Activities**		
	Profit/(Loss) before tax	(1,040.97)	(443.63)
	Adjustments to reconcile loss before tax to net cash flows:		
	Depreciation and amortisation expense	587.85	382.93
	Provision for bad and doubtful debts no longer required, written back	70.62	1.37
	Finance income	(4.70)	(56.23)
	Finance costs	3.26	16.34
	Profit / loss on sale of property plant and equipment	0.17	(0.12)
	Foreign exchange loss / Gain	(5.05)	13.56
		(388.82)	**(85.78)**
	Working capital adjustments:		
	Increase / (decrease) in provisions	327.77	(70.69)
	Increase / (decrease) in other financial and non financial liabilities	(133.81)	58.94
	Increase / (decrease) in trade and other payables	131.27	(277.48)
	(Increase) / decrease in other financial and non financial assets	(40.28)	5.05
	(Increase) / decrease in trade and other receivables	91.14	246.50
		(12.73)	**(123.47)**
	Income tax paid	(188.07)	(10.57)
	Net cash flow from / (used) in operating activities	**(200.80)**	**(134.04)**
B.	**Cash Flow from Investing Activities**		
	Acquisition of property, plant and equipment	(1.07)	(616.30)
	Proceeds from sale of property plant and equipment	-	0.92
	Proceeds from repayment of short term loan given	190.00	990.00
	Interest income received	4.70	56.23
	Net cash flows from/(used) in investing activities	**193.63**	**430.85**
C.	**Cash Flow from Financing Activities:**		
	Repayment of short term borrowings	-	(300.00)
	Interest on lease payments	(3.26)	(16.34)
	Net cash used in financing activities	**(3.26)**	**(316.34)**
	Net (Decrease)/Increase in Cash and Cash Equivalents [A + B + C]	(10.43)	(19.53)
	Cash and Cash Equivalents at the beginning of the year	26.57	46.10
	Cash and Cash Equivalents as at end of the year	16.14	26.57

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Regn. No: 101049W/E300004

On behalf of the board
For White Data Systems India Private Limited

per Bharath N S
Partner
Membership No: 210934

Place: Chennai
Date : 24 May 2024

Ravi Viswanathan
Director
DIN : 08713910

Place: Chennai
Date : 24 May 2024

Raviprakash Bhagavathula
Director
DIN : 07282100

Place: Chennai
Date : 24 May 2024

1 Reporting entity

White Data Systems India Private Limited ('the Company') was incorporated on April 7, 2015 under the Companies Act, 2013. It is in the business of freight data solutions encompassing technology, certification and customised solution offering.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the requirements prescribed under Section 133 of Companies Act, 2013, (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements were authorised for issue by the Company's Board of Directors on 24th May 2024.

Details of the Company's accounting policies are included in Note 2.5.

2.2 Going concern related matters

The Company has reported a loss of Rs.1,040.97 lakhs in the period ended March 2024. The Company has net current liabilities position of Rs. 57.08 lakhs with cash & cash equivalents of Rs. 16.14 lakhs. TVS Supply Chain Solutions Limited, the holding company, has committed to provide financial support to enable the Company to repay its liabilities as and when they fall due for a period of at least 12 months from the date of approval of the Company's financial statements. Accordingly, these financial statements have been prepared on the basis that Company will continue as a going concern.

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been presented in Indian Rupees, unless otherwise indicated.

2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations

2.5 Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Current and non-current classification are in line with the requirements of Schedule III to the Companies Act, 2013.In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a. Useful life and impairment of property, plant and equipment / Intangibles

Useful Life: Determination of useful life of property, plant and equipment / Intangibles involves significant judgement and the Company periodically assesses the same based on inputs from internal experts. Management considers physical life of the assets as indicative of the economic useful life. Further details on useful life are disclosed in significant of accounting policies.

Impairment: Determination of existence of Impairment indicators involves significant judgement by the Management including ascertainment of the future net cash inflows of the relevant assets which may result in Impairment.

b. Employee benefits

The cost of the defined benefit gratuity plan and other post-employment leave encashment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about defined benefit obligations are given in Note 27.

c. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, Credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 32 for further disclosures.

d. Company as a lessee:

As per Ind AS 116, termination options are to be considered in determining the non-cancellable period. The period covered by the termination option is included if the lessee is not reasonably certain to exercise the option. Lease term is the non-cancellable period of a lease, together with any optional periods that the lessee is reasonably certain to use. The non-cancellable period of a lease is any period during which the lessee cannot terminate the contract. Consequently, any non-cancellable period in effect sets a minimum lease term. This is usually referred as "lock-in" period in the lease contract. Generally, the lease contracts are cancellable once the "lock-in" period is over, and, in most cases, the termination option is mutually available with minimum notice period requirements under the contract.

As reasonable certainty is a high threshold, the Company believes in most leases where the lease term is greater than 3 years assuming reasonable certainty on lease commencement date may not be appropriate and must be evaluated on a case to case basis, considering factors such as investment in the property, renewal lease rates, specific modifications to property to meet customer requirements, importance of the location and impact on overall business disruption etc.

2.6 Material accounting polices

A. Revenue

Revenue from contracts with customers is recognised over time as the performance obligation is satisfied over time.. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.
Interest income on fixed deposits is recognised on accrual basis.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets under Financial instruments - initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

B Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, 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 amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme, Employees State Insurance Scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

C Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on 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 at the time of the transaction;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Uncertainty over Income Tax Treatment

Tax treatment of an item is considered as uncertain when there is uncertainty whether the relevant taxation authority will accept the tax treatment of that item or not.

If there is uncertainty over tax treatment of an item:
1. An entity should determine an approach or method that predicts the resolution of the uncertainty. Based on the approach, the entity shall determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments.
2. It shall assess whether it is probable that the taxation authority will accept the uncertain tax treatment, assuming that the authority has full right to examine the treatment and has full knowledge of all related information.
3. If it is probable that the taxation authority will accept the tax treatment, there will be no impact on the amount of taxable profits/losses, tax bases, unused tax losses/credits and tax rates. In vice versa case, the entity shall show the effect of the uncertainty for each uncertain tax treatment on amount of related aforesaid items by using either the most likely outcome or the expected outcome of the uncertainty.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets - unrecognised or recognised are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

D

a. Current vs non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
-Expected to be realised or intended to be sold or consumed in normal operating cycle Held primarily for the purpose of trading
-Expected to be realised within twelve months after the reporting period, or Cash or cash equivalent unless 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 current when:
-It is expected to be settled in normal operating cycle
-It is held primarily for the purpose of trading
-It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption 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 or the most advantageous market must be accessible by 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 are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

c. Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit and loss.

E Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at
- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets 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.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

F Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties, if any and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases, if any, 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.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	**Management estimate of useful life (in years)**
Computers	3
Furniture and fixtures	5
Office equipment	5
Computer equipment	3

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from those prescribed in Schedule II of the Act.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

G Intangible assets

i. Recognition and measurement
Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit and loss as and when incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows:

Asset	**Management estimate of useful life (in years)**
Computer software	3
Other internally developed softwares	5

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

iv. Research and development costs
Research costs are expensed as incurred. Development expenditures on an individual project 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
► 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

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually

H Impairment

i. Impairment of financial instruments
The Company recognises loss allowances for expected credit losses on:
- financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is 'credit - impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held)

Measurement of expected credit losses
Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets, 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. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication 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. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

I Provisions, contingent liabilities and contingent assets

A provision is recognised 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 benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liability is disclosed for all:

- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)

- present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Company discloses a brief description of the nature of the contingent assets at the end of the period/year, and, where practicable, an estimate of their financial effect.

J Leases

i. Determining whether an arrangement contains a lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

iii)Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

•Building	3 years
•Furniture & fixtures	3 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies on impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

i) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

ii. Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's balance sheet.

iii. Lease payments

Payments made under operating leases are generally recognised in statement of profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

K Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

L Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

M Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

N Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

O Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors assesses the financial performance and position of the Company, and makes strategic decisions and has been identified as being the chief operating decision maker.

P Earnings per share

Basic earning per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Q Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.7 Changes in accounting standards and disclosures

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments has no impact on financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The amendments are not expected to have material impact on the company.

Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2024 to amend the following Ind AS which are effective from 01 April 2024.

There are no standards that are notified and not yet effective as on the date

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3 Property, Plant and Equipment

Particulars	Plant & Machinery	Electrical installations	Furniture & Fixtures	Office Equipments	Computers	Total
Gross Block						
As at April 1, 2022	**30.92**	**5.35**	**7.19**	**14.38**	**94.07**	**151.91**
Additions	-	-	-	1.04	2.06	**3.10**
Deletions	-	-	(1.03)	-	(15.11)	**(16.14)**
As at March 31, 2023	**30.92**	**5.35**	**6.16**	**15.42**	**81.02**	**138.87**
Additions	-	-	-	0.01	-	**0.01**
Deletions	-	-	-	-	0.68	**0.68**
As at March 31, 2024	**30.92**	**5.35**	**6.16**	**15.43**	**80.34**	**138.20**
Accumulated Depreciation						
As at April 1, 2022	**28.90**	**4.48**	**6.69**	**8.00**	**67.51**	**115.57**
Depreciation for the year	1.50	0.36	0.11	1.96	12.17	**16.10**
Deletions	-	-	(0.97)	-	(14.36)	**(15.34)**
As at March 31, 2023	**30.40**	**4.85**	**5.82**	**9.96**	**65.31**	**116.33**
Depreciation for the year	-	0.27	0.07	1.87	8.22	**10.43**
Deletions	-	-			0.51	**0.51**
As at March 31, 2024	**30.40**	**5.11**	**5.89**	**11.83**	**73.02**	**126.25**
Net Block						
As at March 31, 2023	**0.52**	**0.51**	**0.34**	**5.46**	**15.71**	**22.55**
As at March 31, 2024	**0.52**	**0.24**	**0.28**	**3.60**	**7.32**	**11.96**

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4a Intangible Assets

Particulars	**Computer Software**
Cost	
As at April 1, 2022	**1,719.09**
Additions	1,413.86
Deletions	-
As at March 31, 2023	**3,132.95**
Additions	
Deletions	-
As at March 31, 2024	**3,132.95**
Amortisation and impairment	
As at April 1, 2022	373.69
Amortisation	341.94
Deletions	-
As at March 31, 2023	**715.63**
Amortisation	545.82
Deletions	-
As at March 31, 2024	**1,261.45**
Net book value	
As at March 31, 2023	**2,417.32**
As at March 31, 2024	**1,871.50**

4b Intangible assets under development	**As at March 31,2024**	**As at March 31,2023**
Cost	-	831.08
Additions	-	582.78
Capitalised during the year	-	(1,413.87)
Net book value	**-**	**-**

5 Financial assets

Particulars	**As at March 31,2024**	**As at March 31,2023**
Deposits and other receivables- Non current		
Security deposits	16.06	16.06
Other deposits	-	0.62
	16.06	**16.68**
Other financial assets-Current		
Interest receivable	-	5.19
Advances to employees	0.70	1.62
Unbilled revenue	41.24	1.60
	41.94	**8.41**

6 Other non-current assets

Particulars	**As at March 31,2024**	**As at March 31,2023**
Advance tax(Net of Provision for taxes)	45.13	88.06
	45.13	**88.06**

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7 Trade Receivables

Particulars	As at March 31,2024	As at March 31,2023
Trade receivables	1.69	73.98
Receivables from related parties (Refer Note 31)	276.64	366.11
Total trade receivables	**278.33**	**440.09**
Break-up for security details		
Trade receivables		
Unsecured, considered good	278.33	440.09
Trade receivables- credit impaired	104.56	33.94
	382.89	**474.04**
Impairment allowance (allowance for bad and doubtful debts)		
Unsecured, credit impaired	(104.56)	(33.94)
Net Trade receivables	**278.33**	**440.09**

Trade Receivables are non-interest bearing and are generally have a credit period ranging from 60 to 120 days.

As at March 31, 2024

Particulars	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good							
External	-	1.69	-	-	-	-	**1.69**
Intercompany	-	255.35	21.28	-	-	-	**276.64**
Unsecured, credit impaired							
External	-	-	-	-	5.39	99.17	**104.56**
Total	**-**	**258.84**	**21.28**	**-**	**5.39**	**99.17**	**382.89**

As at March 31, 2023

Particulars	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good							
External	1.76	1.61	-	4.02	11.26	55.34	**73.98**
Intercompany	128.01	43.15	120.06	74.89	-	-	**366.11**
Unsecured, credit impaired							
External	-	-	-	1.37	-	32.57	**33.94**
Total	**129.77**	**44.76**	**120.06**	**80.27**	**11.26**	**87.92**	**474.04**

8 Cash and Cash Equivalents

Particulars	As at March 31,2024	As at March 31,2023
Balance with banks		
- in Current account	16.14	26.57
- Deposits with original maturity less than 3 months	-	-
	16.14	26.57
Cash and Cash Equivalents as per Cash Flow Statement	**16.14**	**26.57**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

9 Loans

Particulars	As at March 31,2024	As at March 31,2023
Loans to Related Parties	-	190.00
	-	**190.00**

Loans given to related parties represent loans to TVS Supply Chain Solutions as Inter-corporate Deposits. The Rate of interest is determined on Quarterly MCLR % . This loan is unsecured and is repayable on demand.The loan has been repaid in full.

10 Other current assets

Particulars	As at March 31,2024	As at March 31,2023
Prepaid expenses	3.12	5.22
Advance to creditors	3.97	3.40
Balances with government authorities	38.22	24.28
	45.31	**32.90**

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11 Equity Share Capital

Particulars	As at March 31,2024	As at March 31,2023
Authorised Share Capital		
42,00,000 Equity Shares of Rs.10 each	420.00	420.00
Issued, Subscribed and Paid-up Capital		
41,32,961 Equity Shares of Rs.10 each	413.30	413.30
	413.30	**413.30**

a) The Reconciliation of shares capital is given below:

Particulars	31 March 2024		31 March 2023	
	No. of Shares (In lakhs)	Rs.	No. of Shares (In lakhs)	Rs.
At the beginning of the year	41.33	413.30	41.33	413.30
Shares issued during the year	-	-	-	-
At the end of the year	**41.33**	**413.30**	**41.33**	**413.30**

b) Terms / rights attached to each class of shares

The Company has only one class of shares referred to as Equity Shares having a par value of Rs.10 each. The holders of Equity Shares are entitled to one vote per share. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of dividend. Repayment of capital will be in proportion to the number of equity shares held by the shareholders.

c) Details of Shareholders holding more than 5% of Equity Shares of the Company (Refer note below)

Particulars	As at March 31,2024		As at March 31,2023	
	No. of Shares (In lakhs)	% of the total	No. of Shares (In lakhs)	% of the total
TVS Supply Chain Solutions Limited	41.33	100.00%	21.08	51.00%
Cholamandalam Investment and Finance Company Limited	-	-	12.76	30.87%
Lakshmanan Vellayan	-	-	3.71	8.97%
Narayanna Vellayan	-	-	3.71	8.97%
	41.33	**100.00%**	**41.25**	**99.81%**

Note - Pursuant to a share purchase agreement dated March 28, 2023 and first amendment to such share purchase agreement dated April 11, 2023, our Holding Company (TVS Supply Chain Solutions Limited) acquired 2,025,151 equity shares of face value of ₹ 10 each (“Sale Shares”) of the Company, constituting 49% of the paid-up share capital, from Cholamandalam Investment and Finance Company Limited, Narayanan Vellayan, Lakshmanan Vellayan and S Ramesh Kumar. Pursuant to such acquisition, the Company has become a wholly-owned Subsidiary of the TVS Supply chain solutions Limited.

(All amounts in Indian Rupees lakhs, unless otherwise stated)

12 Other equity

Particulars	As at March 31,2024	As at March 31,2023
Retained earnings	(3,066.16)	(2,375.91)
Securities premium	4,756.56	4,756.56
	1,690.40	**2,380.65**

Particulars	31 March 2024	31 March 2023
As at beginning of the year	**(2,375.91)**	**(1,834.15)**
Profit / (Loss) for the year	(700.12)	(541.41)
Other Comprehensive Income for the year	9.86	(0.34)
As at end of the year	**(3,066.16)**	**(2,375.91)**

b. Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Particulars	As at March 31,2024	As at March 31,2023
At the beginning of the year	4,756.56	4,756.56
Transactions during the year	-	-
At the end of the year	**4,756.56**	**4,756.56**

(All amounts in Indian Rupees lakhs, unless otherwise stated)

13 Long term provision

Particulars	As at March 31,2024	As at March 31,2023
Provision for compensated absences	21.03	31.25
Provision for gratuity	11.86	12.74
	32.90	**43.99**

14 Deferred tax liabilities

Nature - (Liability) / Asset	Balance Sheet	
	As at March 31,2024	As at March 31,2023
Deferred tax liabilities		
Difference between depreciation as per books of accounts and the Income Tax Act, 1961	67.75	134.05
Total (A)	**67.75**	**134.05**
Deferred tax assets		
Provision for employee benefits	13.85	19.17
Lease liability	5.46	-
Provision for doubtful debts	27.18	8.49
Carry forward losses#	255.72	-
Total (B)	**302.21**	**27.66**
Net deferred tax (liabilities)/assets (B-A)	**234.46**	**(106.39)**

Nature - (Liability) / Asset	Statement of Profit and Loss	
	As at March 31,2024	As at March 31,2023
Deferred tax liabilities		
Difference between depreciation as per books of accounts and the Income Tax Act, 1961	(66.30)	103.53
Total (A)	**(66.30)**	**103.53**
Deferred tax assets		
Provision for employee benefits	5.33	(5.99)
Lease liability	(5.46)	-
Provision for doubtful debts	(18.70)	0.24
Carry forward losses#	(255.72)	-
Total (B)	**(274.55)**	**(5.75)**
Deferred tax expenses/(income) (A+B)	**(340.85)**	**97.77**

The company have filed an scheme of amalgamation with NCLT and thus have created an Deferred Tax asset on its carry forward loss.

Nature - (Liability) / Asset	Statement of Other Comprehensive Income	
	As at March 31,2024	As at March 31,2023
Deferred tax liabilities		
Difference between depreciation as per books of accounts and the Income Tax Act, 1961	-	-
Total (A)	**-**	**-**
Deferred tax assets		
Provision for employee benefits	(3.47)	(0.11)
Total (B)	**(3.47)**	**(0.11)**
Deferred tax expenses/(income) (A+B)	**(3.47)**	**0.11**

(All amounts in Indian Rupees lakhs, unless otherwise stated)

Reconciliation of deferred tax assets/(liabilities) (net)

Particulars	As at March 31,2024	As at March 31,2023
Opening balance	(106.39)	(8.73)
Tax (income)/expense during the period recognised in profit and loss	(340.85)	97.78
Tax (income)/expense during the period recognised in other comprehensive income	3.47	(0.11)
Closing balance	**230.99**	**(106.39)**

15 Trade payables

Particulars	As at March 31,2024	As at March 31,2023
Trade Payables (refer note below)		
- Dues to Micro and Smallenterprises (Refer Note 33)	0.90	9.55
- Payables to related parties (Refer Note 31)	193.45	92.28
- Others	181.78	143.04
	376.14	**244.87**

Terms and conditions of the above financial liabilities:
Trade payables are non interest bearing and are normally settled within a period of 90 to 180 days.

As at March 31 2024

Particulars	Not due	< 1 Year	1 to 2 years	2 to 3 years	More than 3 Years	Total
Undisputed dues - Micro, Small and Medium enterprises	0.03	-	-	0.87	-	0.90
Undisputed dues - Others	0.02	83.97	-	97.79	-	181.78
Intercompany	-	134.71	58.74	-	-	193.45
Total	**0.05**	**218.68**	**58.74**	**98.67**	**-**	**376.14**

As at March 31 2023

Particulars	Not due	< 1 Year	1 to 2 years	2 to 3 years	More than 3 Years	Total
Undisputed dues - Micro, Small and Medium enterprises	-	-	0.22	1.46	7.88	9.56
Undisputed dues - Others	28.62	13.02	-	50.44	50.96	143.03
Intercompany	68.59	23.69	-	-	-	92.28
Total	**97.20**	**36.71**	**0.22**	**51.90**	**58.84**	**244.87**

(All amounts in Indian Rupees lakhs, unless otherwise stated)

16 Short term provisions

Particulars	As at March 31,2024	As at March 31,2023
Provision for compensated absences	7.81	16.82
Provision for gratuity	12.55	15.43
	20.35	**32.24**

17 Other current liabilities

Particulars	As at March 31,2024	As at March 31,2023
Statutory liabilities	13.08	20.40
Others	11.27	-
	24.36	**20.40**

<u>Categories of financial instruments</u>

Financial Assets

Particulars	As at March 31,2024	As at March 31,2023
Financial Assets - Non Current		
<u>At Amortised Cost</u>		
Other financial assets (refer note 5)	16.06	16.68
Total Non Current Financial Assets (A)	**16.06**	**16.68**
Financial Assets - Current		
<u>At Amortised Cost</u>		
(a) Trade receivables (refer note 7)	382.89	474.04
(b) Cash and cash equivalents (refer note 8)	16.14	26.57
(c) Loans (refer note 9)	-	190.00
(d) Other financial assets (refer note 5)	41.94	8.41
Total Current Financial Assets (B)	**440.96**	**699.02**
Total (A + B)	**457.02**	**715.70**

Financial Liabilities

Particulars	As at March 31,2024	As at March 31,2023
Financial Liabilites - Non Current		
Lease liability	3.04	17.43
Total Non Current Financial Liabilities (A)	**3.04**	**17.43**
Financial Liabilities - Current		
<u>At Amortised Cost</u>		
(a) Trade payables (refer note 16)	376.14	244.87
(b) Lease liability (refer note 29)	17.95	34.94
Total Current Financial Liabilities (B)	**394.09**	**279.81**
Total (A + B)	**397.13**	**297.24**

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18 Revenue from contracts with customers

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Consulting income	545.82	437.79
Sourcing fees	-	15.75
Others	-	13.06
Revenue from operations	**545.82**	**466.60**

18 Revenue from contracts with customer
18.1 Disaggregated revenue information
Set out below is the disaggregation of the Company's revenue from contracts with customers:

	Year ended 31 March 2024	Year ended 31 March 2023
Consulting income	545.82	437.79
Sourcing fees and others	-	28.81
Total revenue from contracts with customers	**545.82**	**466.60**
India	269.99	310.80
Outside India	275.83	155.80
Total revenue from contracts with customers	**545.82**	**466.60**
Timing of revenue recognition		
Services transferred over time	545.82	466.60
Total revenue from contracts with customers	**545.82**	**466.60**

18.2 Contract balances

	Year ended 31 March 2024	Year ended 31 March 2023
Trade receivables (refer note 7)	106.25	107.93
Receivables from related parties (Refer Note 32)	276.64	366.11
	382.89	**474.04**

18.3 Performance obligations
The performance obligation is satisfied over-time and payment is generally due upon completion of services.

19 Other income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest on fixed deposits with banks	0.19	1.47
Interest Income on income tax refund	1.46	1.80
Interest on intercompany loan	4.51	54.76
Gain on sale of asset	-	0.12
Exchange differences(net)	5.05	-
Provisions no longer required written back	18.89	-
Others	2.48	1.07
	32.58	**59.21**

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20 Employee benefit expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	618.16	231.62
Retrenchment cost	0.72	3.18
Contribution to provident and other funds	36.89	15.28
Gratuity expenses (Refer Note 27)	9.23	12.39
Expenses related to compensated absences	-	21.00
Staff welfare expenses	9.45	7.43
	674.45	**290.90**

21 Depreciation and amortization expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on Property, Plant and Equipment (refer note 3)	10.43	16.10
Depreciation on intangible assets (refer note 4a)	545.82	341.94
Amortisation of Right-of-use asset(refer note 28)	31.60	24.90
	587.85	**382.93**

22 Finance Cost

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on borrowings		
- On loans from related parties (refer note 31)	-	16.34
Interest on lease liabilities	3.26	4.60
Others		
	3.26	**20.94**

23 Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Legal and professional charges	24.77	48.75
Contract labour charges	8.67	22.62
Electricity charges	8.18	8.09
Rent	2.66	8.40
Repairs and maintenance - building	3.33	4.22
Communication expenses	2.19	3.23
Information technology expenses	203.25	147.74
Insurance	4.04	4.68
Rates and taxes	0.47	1.56
Bad debts written off	70.62	1.37
Bank charges	1.33	0.10
Travelling and conveyance	8.96	6.81
Printing, stationery and communication	0.50	0.38
Advertisement expenses	-	0.06
Auditor's remuneration (refer note A below)	3.00	3.02
Loss on exchange rate fluctuation	-	13.56
Miscellaneous expenses	11.84	0.08
	353.81	**274.67**

Note:
A) Auditors remuneration

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
As Auditor:		
Statutory audit fee	3.00	3.02
		-
	3.00	**3.02**

(All amounts in Indian Rupees lakhs, unless otherwise stated)

24 Income Tax

The major components of income tax expense for the years ended Mar 31, 2024 and Mar 31, 2023 are:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Deferred tax		
Relating to origination and reversal of temporary differences	(340.85)	97.78
Income tax expense reported in the statement of profit or loss	**(340.85)**	**97.78**

25 Other comprehensive income (OCI) Section

	Year ended 31 March 2024	Year ended 31 March 2023
Net gain /(loss) on remeasurements of defined benefit plans	13.33	(0.46)
Net gain /(loss) on remeasurements of defined benefit plans (net of taxes)	**13.33**	**(0.46)**

26 Earnings per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent 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 parent 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.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit/(Loss) after tax	(700.12)	(541.41)
Weighted average number of Shares		
- Basic	41.33	41.33
- Diluted	41.33	41.33
Earning Per Share of Rs.100 each (Previous year Rs.100 each)		
- Basic	(16.94)	(13.10)
- Diluted	(16.94)	(13.10)

27 Employee benefit expenses

Defined Contribution Plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund (PF) and employees' state insurance (ESI) scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and ESI for the year aggregated to
₹ 36.89 lakhs (31 March 2023: ₹ 14.09 lakhs) (net of capitalization).

Defined Benefit Plan

a. Gratuity

Under the Gratuity plan operated by the Company, every employee who has completed at least five years of service gets a Gratuity on departure at 15 days on last drawn salary for each completed year of service as per Payment of Gratuity Act, 1972. The scheme is funded with an Insurance Company in the form of qualifying insurance policy. The following table summarizes the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the Balance Sheet.

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A.	**Change in defined benefit obligation**		
1	Defined benefit obligation at beginning of year	51.82	51.56
2	Service cost		
	a. Current service cost	7.21	11.19
3	Interest expenses	3.28	3.44
4	Cash flows		
	a. Benefit payments from plan	(12.29)	(11.98)
5	Remeasurements		
	a. Actuarial (gains) / losses	(13.11)	(2.40)
	b. Effect of experience adjustments	-	-
6	**Defined benefit obligation at end of year**	**36.90**	**51.82**

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
B.	**Change in fair value of plan assets**		
1	Fair value of plan assets at beginning of period	23.65	35.24
2	Difference in Opening Value	-	-
3	Interest income	1.26	2.24
4	Cash flows	-	-
	Total employer contributions	-	1.00
	Benefit payments from plan assets	(12.29)	(11.98)
5	Remeasurements	-	-
	Return on plan assets (excluding interest income)	(0.12)	(2.86)
6	**Fair value of plan assets at end of year**	**12.50**	23.65

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
C.	**Amounts recognized in the Balance Sheet**		
1.	Defined benefit obligation	36.90	51.82
2.	Fair value of plan assets	(12.50)	(23.65)
3.	Funded status	24.41	28.17
4.	**Net defined benefit liability (asset)**	**24.41**	**28.17**

(All amounts in Indian Rupees lakhs, unless otherwise stated)

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
D.	**Components of defined benefit cost**		
1.	Service cost		
	a. Current service cost	**7.21**	**11.19**
2.	Net interest cost		
	a. Interest expense on DBO	3.28	3.44
	b. Less - Interest (income) on plan assets	(1.26)	(2.24)
	c. Total net interest cost	**2.02**	1.19
3.	Remeasurements (recognized in OCI)		
	a. Actuarial (gains)/losses from on DBO	(13.11)	(2.40)
	b. Less - (Return) on plan assets (excluding interest income)	0.12	2.86
	c. Total remeasurements included in OCI	**(12.99)**	0.46
4.	**Total defined benefit cost recognized in P&L and OCI**	**(3.76)**	**12.85**

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
E.	**Re-measurement**		
	a. Actuarial Loss/(Gain) on DBO	(12.99)	0.46
	b. Less - Returns above Interest Income		
	Total Re-measurements (OCI)	**(12.99)**	**0.46**

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
F.	**Employer Expense (P&L)**		
	a. Current Service Cost	7.21	11.19
	b. Interest Cost on net DBO	2.02	1.19
	c. Total P&L Expenses	**9.23**	**12.39**

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
G.	**Net defined benefit liability (asset) reconciliation**		
1.	Net defined benefit liability (asset)	28.17	16.32
2.	Defined benefit cost included in P&L	9.23	12.39
3.	Total remeasurements included in OCI	(12.99)	0.46
4.	Employer contributions	-	(1.00)
5.	Net defined benefit liability (asset) as of end of period	**24.41**	**28.17**

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
H.	**Reconciliation of OCI (Re-measurment)**		
1.	Recognised in OCI during the period	(12.99)	0.46
2.	Recognised in OCI at the end of the period	**(12.99)**	**0.46**

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
		% change in DBO	**% change in DBO**
I.	**Sensitivity analysis - DBO end of Period**		
1	Discount rate +100 basis points	-5.62%	-5.20%
2	Discount rate -100 basis points	6.30%	5.78%
3	Salary Increase Rate +1%	5.70%	5.31%
4	Salary Increase Rate -1%	-5.16%	-4.86%
5	Attrition Rate +1%	-0.95%	-1.04%
6	Attrition Rate -1%	1.00%	1.09%
7	Mortality rate - 10%	-0.02%	-0.02%

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Particulars		Year ended 31 March 2024	
1	**Assumptions**	**Discount rate**	**Discount rate**
	Sensitivity Level	+100 basis points	+100 basis points
		INR	INR
	Impact on defined benefit obligation	(5.62)	6.30
2	**Assumptions**	**Salary increase rate**	**Salary increase rate**
	Sensitivity Level	+100 basis points	+100 basis points
		INR	INR
	Impact on defined benefit obligation	5.70	(5.16)
3	**Assumptions**	**Attrition rate**	**Attrition rate**
	Sensitivity Level	+100 basis points	+100 basis points
		INR	INR
	Impact on defined benefit obligation	(0.95)	1.00
4	**Assumptions**	**Mortality rate**	**Mortality rate**
	Sensitivity Level	-0.02%	-0.02%
		INR	INR
	Impact on defined benefit obligation	-0.01	-0.01

Particulars		Year ended 31 March 2023	
1	**Assumptions**	**Discount rate**	
	Sensitivity Level	+100 basis points	+100 basis points
		INR	INR
	Impact on defined benefit obligation	(2.70)	2.99
2	**Assumptions**	**Salary increase rate**	
	Sensitivity Level	2.75	(2.52)
		INR	INR
	Impact on defined benefit obligation	6.35	6.35
3	**Assumptions**	**Attrition rate**	
	Sensitivity Level	+1%	+1%
		INR	INR
	Impact on defined benefit obligation	(0.54)	0.57
4	**Assumptions**	**Mortality rate**	
	Sensitivity Level	-10%	
		INR	
	Impact on defined benefit obligation		(0.01)

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
J.	**Significant actuarial assumptions**		
1.	Discount rate Current Year	7.10%	7.17%
2	Salary increase rate	Uniform 8.0%	Uniform 8.0%
3	Attrition Rate	Uniform 32.0%	Uniform 32.0%
4	Retirement Age		58
5	Pre-retirement mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
6	Disability	5% Mortality rate	5% Mortality rate

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
K.	**Data**		
1.	No. of Employees	60	79
2.	Avg. Age (yrs.)	30.77	31.46
3.	Avg. Past Service (yrs.)	3.43	3.30
4.	Avg. Sal. Mly (Rs.)	28,944	32,535
5.	Future Service (yrs.)	27.23	26.54

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
L.	**Expected cash flows for following year**		
1	Expected total benefit payments (Lakhs)		
	Within the next 12 months (next annual reporting period)	5.78	6.39
	Between 2 and 5 years	10.89	11.67
	Between 5 and 10 years	6.82	13.30
	Beyond 10 years	13.40	20.46

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
M.	**Defined benefit obligation at end of year**		
	Current Obligation	12.55	15.43
	Non-Current Obligation	11.86	12.74
	Total	**24.41**	**28.17**

b. Leave Encashment
The assumptions used for computing the long term compensated absence on actuarial basis are as follows

	Assumptions	Year ended 31 March 2024	Year ended 31 March 2023
1.	Discount Rate	7.10%	7.17%
2.	Future Salary Increase (%)	Uniform 8.0%	Uniform 8.0%
3.	Attrition Rate	Uniform 32.0%	Uniform 32.0%

(All amounts in Indian Rupees lakhs, unless otherwise stated)

28 Right-of-use asset

a Set out below are the carrying amounts of right of use assets recognised and the movements during the period

	Building	Furniture and fixtures	Total
Balance as at 31st March 2022	35.28	10.83	46.11
Add: Unamortized Prepaid Rent portion of Security Deposits			
Additions	30.42	-	30.42
Amortisation (less)	20.93	3.97	24.90
Currency translation and others			-
Balance as at 31st March 2023	**44.77**	**6.86**	**51.63**
Add: Unamortized Prepaid Rent portion of Security Deposits			
Additions	1.06	-	1.06
Amortisation (less)	27.66	3.94	31.61
Balance as at 31st March 2024	**18.17**	**2.92**	**21.08**

b Operating lease payments

The Company has lease contracts for various buildings and furniture used in its operations. The Company also has certain leasess with lease term of 12 months or less and with low value. The Company applies the ‘short-term lease’ and ‘lease of low-value assets’ recognition exemptions for these leases.

c Set out below are the carrying amounts of lease liabilities and the movement during the period

	Period ended March 31,2024	Period ended March 31,2023
Balance at the beginning of the year	52.37	43.89
Additions	0.78	30.69
Accretion of interest	3.26	4.60
Payments	(35.41)	(26.82)
Balance at the end of the year	20.99	52.37
Current	17.95	34.94
Non - Current	3.04	17.43

d The following are recongnised in the statement of profit and loss

	Period ended March 31,2024	Period ended March 31,2023
Amortisation expenses of right of use assets	31.61	24.90
Interest expenses on lease liabilities	3.26	4.60
Rental discount	-	-
Expenses relating to short term leases	6.16	6.16
Expenses relating to leases of low value assets	2.03	2.03
Total amount recognised in profit or loss	**43.06**	**37.69**

e The Company has lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company’s business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

29 Segment information

Business segment

The Company is engaged in the business of developing software. The information relating to this operating segment is reviewed regularly by the Company’s Key managerial personnel ('KMP') (Chief Operating Decision Maker) to make decisions about resources to be allocated and to assess its performance.

Geographical segment

The Company sells its services generally within India, however during the year, the Company has also generated income from the overseas market. Accordingly, geographical segment has been disclosed for India and Outside India.

Particulars	**India**	**Outside India**	**Total**
Revenue from external customers	269.98	275.83	545.82
Non-current assets (excluding tax assets)	1,965.72	-	1,965.72

(All amounts in Indian Rupees lakhs, unless otherwise stated)

30 Capital commitments and Contingent liabilities

	Period ended March 31,2024	Period ended March 31,2023
Capital commmitment	0.10	-

From time to time, the Company is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations or cash flows of the Company.The company has a capital commitment of Rs.9800 incurred on 28-03-2024 which paid in next financial year.

31 Related party disclosures

a) List of related parties

Holding Company

TVS Supply Chain Solutions Limited

Entity which holds siginificant influence in the Holding Company

TVS Mobility Private Limited

Cholamandalam Investment and Finance Company Limited

Entities under common control

Rico Logistics Limited, UK

TVS-Asianics Supply Chain Solutions Pte. Limited, Singapore

Fit 3PL Warehousing Private Limited

b) Transactions with related parties

During the year the following transactions were carried out with related parties in the ordinary course of business

Nature of Transaction	Holding Company		Companies with significant influence		Companies with Common Control	
	Period ended March 31,2024	Period ended March 31,2023	Period ended March 31,2024	Period ended March 31,2023	Period ended March 31,2024	Period ended March 31,2023
Income						
TVS Supply Chain Solutions Limited	252.33	266.50	-	-	-	-
Fit 3PL Warehousing Private Limited	-	-	-	-	2.70	3.00
Rico Logistics Limited, UK	-	-	-	-	277.92	144.54
Expenses Incurred on behalf of						
TVS Supply Chain Solutions Limited	-	2.44	-	-	-	-
Sourcing fees						
Cholamandalam Investment and Finance Company Limited	-	-	-	15.75	-	-
Other Expenses						
TVS Supply Chain Solutions Limited - Cross charges for various services	92.67	90.26	-	-	-	-
Other Income						
TVS Supply Chain Solutions Limited - Contract and IT charges	0.91	1.68	-	-	-	-
Rico Logistics Limited, UK - Contract and IT charges	-	-	-	-	-	11.26
Finance cost						
Cholamandalam Investment and Finance Company Limited	-	-	-	16.34	-	-
Rent Expense						
TVS Mobility Private Limited	-	-	-	-	2.00	2.00
Finance Income						
TVS Supply Chain Solutions Limited	4.51	54.76	-	-	-	-
Loan repayment during the year						
TVS Supply Chain Solutions Limited	190.00	990.00	-	-	-	-
Cholamandalam Investment and Finance Company Limited	-	-	-	300.00	-	-

(All amounts in Indian Rupees lakhs, unless otherwise stated)

31 Transactions with related parties (continued)

	Holding Company		Companies with significant influence		Companies with Common Control	
Transaction / Balances	**Period ended March 31,2024**	**Period ended March 31,2023**	**Period ended March 31,2024**	**Period ended March 31,2023**	**Period ended March 31,2024**	**Period ended March 31,2023**
Trade Receivables						
TVS Supply Chain Solutions Limited	33.09	64.00	-	-	-	-
Rico Logistics Limited, UK	-	-	-	-	288.84	301.84
Fit 3PL Warehousing Private Limited	-	-	-	-	0.13	0.27
Trade Payables						
TVS Supply Chain Solutions Limited	193.44	92.98	-	-	-	-
Loans						
TVS Supply Chain Solutions Limited	-	190.00	-	-	-	-
Interest Receivable						
TVS Supply Chain Solutions Limited	-	5.19	-	-	-	-

Terms and Conditions of Transactions with Related Parties
The sale to and purchases from Related Parties are made of equivalent to those that prevail in arms' length transactions. Outstanding balances at the year-end are unsecured, interest free and

b) Details of Remuneration to Key Managerial Personnel: There is no remuneration paid to key managerial personnel.

(All amounts in Indian Rupees lakhs, unless otherwise stated)

32 Fair Values

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities

Particulars	Carrying Values		Fair Values	
	Period ended March 31,2024	**Period ended March 31,2023**	**Period ended March 31,2024**	**Period ended March 31,2023**
Financial Assets				
Other financial assets (non-current)	16.06	16.68	16.06	16.68
Other current financial assets	41.94	8.41	41.94	8.41
Trade receivables	278.33	440.09	278.33	440.09
Cash & cash equivalents	16.14	26.57	16.14	26.57
	352.46	**491.76**	**352.46**	**491.76**
Financial Liabilities				
Short term borrowings	-	-	-	-
Lease liability	20.99	52.37	20.99	52.37
Trade payables	376.14	244.87	376.14	244.87
	397.13	**297.24**	**397.13**	**297.24**

33 Due to micro, small and medium enterprises

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2024 has been made in these financial statements based on information received and available with the Company, to the extent identified by the management.

	Period ended March 31,2024	**Period ended March 31,2023**
The amounts remaining unpaid to micro and small suppliers as at end of the accounting year		
Principal	0.90	16.10
Interest due thereon		
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amount of payments made to the micro and small suppliers beyond the appointed day during each accounting year	27.50	7.76
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006		
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

34 Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through internal accruals and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors capital employed using a Debt equity ratio, which is total debt divided by total equity and maturity profile of the overall debt portfolio of the Company. The following table summarizes the capital of the Company:

Particulars	Period ended March 31,2024	Period ended March 31,2023
Equity share capital	413.30	413.30
Other equity	1,690.40	2,380.65
Equity	**2,103.70**	**2,793.95**
Debt Equity Ratio	-	-

Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of borrowings and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, cash and short-term deposits, which arise directly from its operations.

The Company is exposed to certain financial risks that it manages by grouping together risk identification, measurement, concentration limitation and oversight systems. The Company's Board of Directors oversees and coordinates the management and limitation of financial risks, through the policies and approved at the highest executive level, in accordance with the estalished rules, policies and procedures. The identification, assessment and hedging of financial risks are the responsibility of the Board of Directors.

A. Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Future specific market movements cannot be normally predicted with

Foreign Currency Exchange Rate
Risk

The Company has limited transactions in foreign currency and the collections are made within few weeks of invoicing, hence, management does not believe that there is any foreign currency exchange rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk is minimal since the Company has entered into short term borrowings with a fixed interest rate of 7%.. The company has also advanced a loan to its holding company at an interest rate determined quarterly on MCLR%.

B. Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks.

Exposure to Credit risk - The carrying amount of financial assets represents the maximum Credit exposure. The maximum exposure to Credit risk was Rs. 3.52 Lakhs as at 31st March 2024 and Rs.6.82 Lakhs as at 31st March 2023, being the total of the carrying amount of balances with banks, short term deposits with banks, trade and other receivables, current investments.

Customer credit risk is managed by the Company's procedures to customer credit risk management. Trade receivables are non-interest bearing and are generally on credit term in line with respective industry norms. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically except for receivables from group companies.

C. Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. All the borrowings of the Company are due to mature within one year from reporting date.

The Company has obtained funding from its associate company. The Company invests its surplus funds in bank fixed deposit and mutual funds, which carry no/low mark to market risks. The company has also advanced a loan to its holding company at an interest rate applicable on quarterly MCLR %.

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments:

Particulars	On Demand	Less than 3 Months	3 to 12 Months	> 1 Year	Total
Year ended March 31, 2024					
Borrowings					-
Lease liability			17.95	3.04	20.99
Trade and other payables		376.14			376.14
	-	**376.14**	**17.95**	**3.04**	**397.13**
Year ended March 31, 2023					
Borrowings					-
Lease liability		8.56	26.38	17.43	52.37
Trade and other payables		244.87			244.87
	-	**253.43**	**26.38**	**17.43**	**297.24**

The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

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White Data Systems India Private Limited
CIN: U72200TN2015PTC129978
(All amounts in Indian Rupees lakhs, unless otherwise stated)

35 Ratios Analysis

Ratios	Numerator	Denominator	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	% Variance	Remarks
Current ratio	Current assets	Current liabilities	381.72	438.80	0.87	2.10	-59%	There is a decrease compared to the previous year as there is an increase in sundry creditors.
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & lease payments + Principal repayments	-449.86	38.67	(11.63)	(0.83)	1302%	There is a significant increase in the ratio as losses have increased in the current year compared to the previous year.
Return on equity	Profit / (loss) attributable to Owners of the Company	Shareholder's equity	-700.12	2103.70	(0.33)	(0.19)	-75%	There is a significant increase in the ratio as losses have increased in the current year compared to the previous year.
Trade receivable turnover ratio	Net credit sales = Gross revenue	Average trade receivable	545.82	428.46	1.27	1.04	22%	
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	545.82	-57.08	(9.56)	1.28	-847%	This is due to decrease in working capital as there is an increase in sundry creditors compared to the previous year
Net profit percentage	Net profit	Net sales = Total sales - sales return	-1040.97	545.82	(1.91)	(0.95)	-101%	There is the increase in the ratio due to increase in loss during the year.
Return on capital employed	Earnings before interest and taxes	Capital employed = Tangible net worth + total debt + deferred tax liability	-1040.97	232.20	(4.48)	(0.88)	407%	There was increased negative EBIT in the current year as against last year resulting in decrease in the ratio.

White Data Systems India Private Limited
CIN: U72200TN2015PTC129978
(All amounts in Indian Rupees lakhs, unless otherwise stated)

36 Other Statutory information

a) Utilization of borrowings

i) The Company has used the borrowings from financial institutions for the specific purpose for which it was taken at March 31, 2024.

ii) The quarterly returns/statements of current assets filed by the Company with financial institutions in relation to secured borrowings wherever applicable, are in agreement with the books of accounts.

iii) The Company does not have any borrowing from banks during the current year.

b) Undisclosed income

The Company has no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

c) Benami property

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

d) Crypto currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

e) Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

f) Struck off companies transactions

The Company does not have any transactions with companies struck off.

g) Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of this financial statements.

h) Wilful Defaulter

The Company is not declared as wilful defaulter by any bank of financial institution or other lender.

i) Disclosure on funding transactions

There are no funds that 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 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.

There are no funds that have been received by the company from any person(s) 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.

j) Prior year comparatives

Previous year's figures have been regrouped / reclassified where

37 Audit trail

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with.

As per our report of even date
For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Regn. No: 101049W/E300004

Bharath N S
Partner
Membership No: 210934

Place: Chennai
Date : 24 May 2024

On behalf of the board
For White Data Systems India Private Limited

Ravi Viswanathan
Director
DIN : 08713910

Place: Chennai
Date : 24 May 2024

Raviprakash Bhagavathula
Director
DIN : 07282100

Place: Chennai
Date : 24 May 2024

PAN Asia Container Line Pte Limited

FY 2023-24

Independent Auditors' Report to the Sole Shareholder of

PAN ASIA CONTAINER LINE PTE LIMITED
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of Pan Asia Container Line Pte Limited set out on pages 6 to 20 which comprise the statement of financial position as at 31 March 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the company as at 31 March 2024, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance Cap 622.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The directors are responsible for the other information. The other information comprises all the information included in the directors' report, other than the financial statements and our auditors' report thereon.

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

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

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

Independent Auditors' Report to the Sole Shareholder of

PAN ASIA CONTAINER LINE PTE LIMITED
(Incorporated in Hong Kong with limited liability)

Responsibilities of directors and those charged with governance for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance Cap 622, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. This report is made solely to you in accordance with section 405 of the Hong Kong Companies Ordinance Cap 622, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditors' Report to the Sole Shareholder of

PAN ASIA CONTAINER LINE PTE LIMITED
(Incorporated in Hong Kong with limited liability)

Auditors' responsibilities for the audit of the financial statements (Cont'd)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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.

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

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, if any, that we identify during our audit.

Wong Brothers CPA Limited
Certified Public Accountants (Practising)

Ricky W. P. Wong
Practising Certificate Number: P02704

Hong Kong,

PAN ASIA CONTAINER LINE PTE LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 US$	2023 US$
Revenue	4	- -	- -
Other income	4	52,323	- -
Administrative and general expenses		(6,396)	(5,745)
Profit/(loss) before tax	5	45,927	(5,745)
Income tax	7	- -	3,028
Profit/(loss) for the year		45,927	(2,717)
Other comprehensive income		- -	- -
Total comprehensive income for the year		45,927	(2,717)

PAN ASIA CONTAINER LINE PTE LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	Notes	2024 US$	2023 US$
ASSETS			
Current assets			
Amount due from immediate holding company	8	83,291	2,281,216
Amount due from fellow subsidiaries	9	- -	36,460
Cash at bank		101,898	- -
Total assets		185,189	2,317,676
EQUITY AND LIABILITIES			
Equity attributable to equity holders			
Share capital	10	64,347	64,347
Retained profits		116,584	1,950,657
Total equity		180,931	2,015,004
Current liabilities			
Amount due to immediate holding company		- -	299,572
Accrued expenses		4,258	3,100
Total current liabilities		4,258	302,672
Total equity and liabilities		185,189	2,317,676

Approved by the board of directors
on

James Christopher Payne
Director

Vittorio Marino Favati
Director

PAN ASIA CONTAINER LINE PTE LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

	Note	Share capital US$	Retained profits US$	Total US$
At 1 April 2022		64,347	1,953,374	2,017,721
Total comprehensive income for the year		- -	(2,717)	(2,717)
At 31 March 2023 and 1 April 2023		64,347	1,950,657	2,015,004
Total comprehensive income for the year		- -	45,927	45,927
Dividend paid	11	- -	(1,880,000)	(1,880,000)
At 31 March 2024		64,347	116,584	180,931

PAN ASIA CONTAINER LINE PTE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	2024 US$	2023 US$
Cash flows from operating activities		
Profit/(loss) before tax	45,927	(5,745)
Decrease in amount due from immediate holding company	2,197,925	68
(Decrease)/increase in amount due to immediate holding company	(299,572)	3,985
Decrease/(increase) in amount due from fellow subsidiaries	36,460	(19,480)
Increase in accrued expenses	1,158	1,700
Cash generated from/(used in) operating activities	1,981,898	(19,472)
Profits tax refund	- -	19,472
Net cash inflow from operating activities	1,981,898	- -
Cash flows from financing activities		
Dividend paid	(1,880,000)	- -
Net cash outflow from financing activities	(1,880,000)	- -
Net increase in cash and cash equivalents	101,898	- -
Cash and cash equivalents at beginning of year	- -	- -
Cash and cash equivalents at end of year, representing cash at bank	101,898	- -

PAN ASIA CONTAINER LINE PTE LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1. GENERAL INFORMATION

The company is a limited liability company incorporated and domiciled in Hong Kong. The address of its registered office is Units 1403 & 05, 14/F., Tower 2, Ever Gain Plaza, No. 88 Container Port Road, Kwai Chung, New Territories, Hong Kong.

The company was inactive throughout the year.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies were consistently applied during the year, unless otherwise stated.

2.1 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong, and the requirements of the Hong Kong Companies Ordinance (Cap 622).

The measurement basis used in preparing the financial statements is historical cost, except where otherwise stated in the accounting policies below.

(b) Impact of new and revised HKFRSs

(i) Standards, interpretations and amendments effective since 1 April 2023

In the current year, the company has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time, which are mandatorily effective for the Company's annual period beginning on 1 April 2023 for the preparation of the financial statements:

HKFRS 1	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Company's financial positions and performance for the current and prior years and/or on the disclosures set out in these financial statements.

2. **SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)**

(b) Impact of new and revised HKFRS (Cont'd)

(i) Standards, interpretations and amendments effective since 1 April 2023 (Cont'd)

Impacts on application of Amendments to HKAS 1 and HKFRS Practice Statement 2 Disclosure of Accounting Policies

The Company has applied the amendments for the first time in the current year. HKAS 1 "Presentation of Financial Statements" is amended to replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information. HKFRS Practice Statement 2 "Making Materiality Judgements" (the "Practice Statement") is also amended to illustrate how an entity applies the "four-step materiality process" to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments had no material impact on the Company's financial positions and performance but affected the disclosure of the Company's accounting policies to the financial statements.

(ii) Impact of standards, amendments and interpretations yet to be adopted

Up to the date of approval of these financial statements, the HKICPA has issued a number of new/revised standards, amendments and new/revised interpretations, which are not yet effective and which have not been early adopted by the company for the year ended 31 March 2024. The directors are in the process of making an assessment and are not yet in a position to determine of what the impact of these new/revised standards, amendments and new/revised interpretations to the results and financial position of the company upon adoption.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.2 Financial instruments

Financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Accordingly, financial assets are recognised if the company has a contractual right to receive cash or other financial assets from another entity. Financial liabilities are recognized if company has a contractual obligation to transfer cash or other financial assets to another entity.

(a) Financial assets carried at amortised cost

These are non-derivative financial assets that are held as part of a business model that aims to collect contractual cash flows and that additionally fulfill the cash flow condition, i.e. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets under this category include amount due from immediate holding company and amount due by group company. They are initially measured at fair value and subsequently at amortised cost using the effective interest method.

(b) Financial liabilities

Financial liabilities generally comprise non-derivative financial liabilities.

Non-derivative financial liabilities such as amount due to immediate holding company and accrued expenses are initially measured at fair value and subsequently at amortised cost using the effective interest method.

(c) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(d) Impairment of financial assets

The company performs impairment assessment under expected credit loss ("ECL") model on financial assets which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant financial assets. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment is done based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.2 Financial instruments (Cont'd)

(d) Impairment of financial assets (Cont'd)

The company measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the company recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

In assessing whether the credit risk of other financial assets has increased significantly since initial recognition, the company compares the risk of a default occurring on them as at the reporting date with the risk of a default as at the date of initial recognition. In making this assessment, the company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the company presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the company has reasonable and supportable information that demonstrates otherwise.

For internal credit risk management, the company considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the company, in full (without taking into account any collaterals held by the company).

Irrespective of the above, the company considers that default has occurred when a financial asset, other than trade receivables and contract assets, is more than 90 days past due unless the company has reasonable and supportable information to demonstrate that a more lagging default criterion is appropriate.

The company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. A write-off constitutes a de-recognition event. Any subsequent recoveries are recognised in profit or loss.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.3 Income tax

Income tax represents the sum of current income tax and deferred tax.

Current income tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability of the company for current tax is calculated using tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ("the functional currency"). The financial statements are presented in United States dollar ("US$"), which is the company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions during the year are translated into United States dollars at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into United States dollars at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates.

2.5 Revenue recognition

Revenue is recognised at the amount of promised consideration to which the company is expected to be entitled in exchange for those goods or services and net of trade discounts, if any.

Interest income is recognised as it is accrued on a time basis by reference to the principal outstanding and at the interest rate applicable.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.6 Cash and cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2.7 Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the company has a legal or constructive obligation arising as result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated realiably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2.8 Related parties

A related party is:-

(a) A person or a close member of that person's family if that person:

- (i) Has control or joint control over the company;
- (ii) Has significant influence over the company; or
- (iii) Is a member of key management personnel of the company or the company's holding company.

(b) An entity if any of the following conditions applies:

- (i) The entity and the company are members of the same group.
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both the company and the entity are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of the employees of the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of the holding company of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the company or to the holding company of the company.

3. FINANCIAL RISK MANAGEMENT ND POLICIES

(a) Categories of financial instruments

	2024 US$	2023 US$
Financial assets at amortised cost:		
Amount due from immediate holding company	83,291	2,281,216
Amount due from fellow subsidiaries	- -	36,460
Cash at bank	101,898	- -
	185,189	2,317,676
Financial liabilities at amortised cost:		
Amount due to immediate holding company	- -	299,572
Accrued expenses	4,258	3,100
	4,258	302,672

(b) Financial risk factors

The company's activities are mainly exposed to credit risk and liquidity risk. Its overall risk management programme focuses on the unpredictability and volatility of financial markets and seeks to minimize potential adverse effects on these risks. No derivative financial instruments are used to hedge any exposures of these risks.

3. **FINANCIAL RISK MANAGEMENT ND POLICIES (Cont'd)**

(c) Credit risk

Credit risk refers to the risk that the company's counterparties default on their contractual obligations resulting in financial losses to the company.

In order to minimise credit risk, the management has a credit policy in place and the exposure to these credit risks is monitored on an ongoing basis. Credit evaluations of the counterparties' financial positions and conditions are performed on each and every major debtor periodically.

The company does not hold any collateral or other credit enhancement to cover its credit risk associated with the above financial assets.

The following tables below detail the credit risk exposure of the company's financial assets which are subject to ECL assessment:

	Note to the financial statement		2024 US$	2023 US$
Amount due from immediate holding company	8	12m ECL	83,291	2,281,216
Amount due from fellow subsidiaries	9	12m ECL	- -	36,460
Cash at bank		12m ECL	101,898	- -
			185,189	2,317,676

The credit risk of cash at bank is limited because the counterparty is bank with high credit ratings and quality.

Details of ECL assessment on the amounts due from immediate holding company and fellow subsidiaries are set out in the note 8 and 9 to the financial statements respectively.

3. FINANCIAL RISK MANAGEMENT ND POLICIES (Cont'd)

(d) Liquidity risk

The company exercises prudent liquidity and cash flow risk management policies and aims at maintaining sufficient liquidity and cash flows at all times. The following table indicates the remaining contractual maturities of the financial liabilities of the company at the end of the reporting period. The amounts of repayments are based on undiscounted cash flows and the earliest date of repayments.

	2024			2023		
	Carrying value US$	Total contractual undiscounted cash flow US$	Repayable within 1 year or on demand US$	Carrying value US$	Total contractual undiscounted cash flow US$	Repayable within 1 year or on demand US$
Amount due to immediate holding company	--	--	--	299,572	299,572	299,572
Accrued expenses	4,258	4,258	4,258	3,100	3,100	3,100
	4,258	4,258	4,258	302,672	302,672	302,672

4. REVENUE AND OTHER INCOME

	2024 US$	2023 US$
Revenue	--	--
Other income		
Recovery of bank balances frozen by the bank and written off in previous years	49,433	--
Gain on exchange	2,890	--
	52,323	--

5. PROFIT/(LOSS) BEFORE TAX

	2024 US$	2023 US$
Profit/(loss) before tax is stated after charging:-		
Loss on exchange	--	4,026

6. REMUNERATION AND OTHER INFORMATION ABOUT BENEFITS OF DIRECTORS

(a) Remuneration

Remuneration of the company's directors disclosed pursuant to section 383 of the Companies Ordinance (Cap 622) and the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap 622G) is US$Nil (2023: US$Nil).

The key management personnel of the company are all the directors.

(b) Directors' interests in contracts, transactions and arrangements

No contract, transaction, and arrangement of significance in relation to the company's business in which the company was a party, and in which the director of the company had a material interest, whether directly or indirectly, subsisted at end of the year of at any time during the year.

7. INCOME TAX

	2024 US$	2023 US$
Current tax for the year	--	--
Over provision in previous years	--	(3,028)
Income tax	--	(3,028)

Hong Kong Profits Tax is not recognised as the company has no assessable income for the year.

Reconciliation between income tax and accounting profit/(loss) at applicable tax rate

	2024 US$	2023 US$
Profit/(loss) before tax	45,927	(5,745)
Notional income tax credit calculated at Hong Kong Profits Tax rate of 16.5% (2023: 16.5%)	7,577	(947)
Tax effect of non-deductible expenses	(7,577)	947
Over-provision of income tax in previous years	--	(3,028)
Income tax	--	(3,028)

8. AMOUNT DUE FROM IMMEDIATE HOLDING COMPANY

Amounts due from immediate holding company is unsecured, interest free and repayable on demand.

The directors made periodic individual assessment on the recoverability of amount due from immediate holding company based on historical settlement history, past experience, and reasonable and supportive forward-looking information that was available at the reporting date. The directors believed that there was no significant increase in credit risk of the receivable since initial recognition. The amount of ECL on amount due from immediate holding company was considered insignificant and no loss allowance was recognised.

9. AMOUNT DUE FROM FELLOW SUBSIDIARIES

Amount due from fellow subsidiaries was unsecured, interest free and fully repaid during the year.

The directors made periodic individual assessment on the recoverability of amount due from fellow subsidiaries based on historical settlement history, past experience, and reasonable and supportive forward-looking information that was available at the reporting date. The directors believed that there was no significant increase in credit risk of the receivable since initial recognition. The amount of ECL on amount due from fellow subsidiaries was considered insignificant and no loss allowance was recognised.

10. SHARE CAPITAL

	2024 US$	2023 US$
Issued and fully paid		
500,000 ordinary shares	64,347	64,347

11. DIVIDEND PAID

The company paid a dividend of us$1,880,000 (US$3.76 per share) (2023: US$$Nil) during the year. The directors do not propose any dividend payment subsequent to the reporting date.

12. IMMEDIATE AND ULTIMATE HOLDING COMPANIES

The immediate holding company is TVS SCS Singapore Pte Limited, a company incorporated in Singapore. The directors consider the ultimate holding company to be TVS Supply Chain Solutions Limited, a company incorporated in India.

PAN Asia Freight Forwarding & Logistics India Private Limited

FY 2023-24

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS TO THE MEMBERS OF PAN ASIA FREIGHT FORWARDING & LOGISTICS INDIA PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH 2024

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PAN ASIA FREIGHT FORWARDING & LOGISTICS INDIA PRIVATE LIMITED ("the company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements gives the information required by the of the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and the profit 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Emphasis of Matter

We draw attention to Note no.1(b) and 1(d) wherein it has been indicated that the books of accounts have been prepared without following going concern assumption. We also draw your attention to Note no. 20 of the financial statement wherein it is indicated that the Company has explored opportunities for reviving the business however the efforts did not result in positive outcome and therefore the business has been stopped which indicates that material uncertainty exists that may cast significant doubt on the Company's ability to continue as going concern. Our opinion is not modified in this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexure to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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.

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, is not applicable to the Company.

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 Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f) In our opinion and to the best of our knowledge and according to the explanations given to us, the provisions of Section 143(3)(i) of the Companies Act, 2013 for reporting on the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls are not applicable to the Company.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

No Managerial Remuneration has been paid or provided during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which any material foreseeable losses;

iii. There is no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund.

iv.

a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The management has further represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations (a) and (b) above contain any material mis-statement.

v. In respect of compliance with Section 123 of the Companies Act, 2013, we report as under:

The company has not declared / paid dividends during the year.

vi. Based on our examination, the Company, has used an accounting software "WiseCloud" which is operated by a third-party software service provider "WiseTech Global", for maintaining its books of account. According to the information and explanation provided to us and based on information and explanation provided by the third party and reports generated from the software and provided to us in respect of audit trail, and based on test check as considered appropriate, the accounting software has a feature of recording Audit Trail (Edit Log) and the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with.

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

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

T S Dinesh Kumar
Partner
Membership No: 229153
Date : 7th May 2024
Place : Chennai
ICAI UDIN : 24229153BKEDBS8141

Pan Asia Freight Forwarding & Logistics India Private Limited
Balance sheet as at 31st March, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note	As At 31st March 2024	As At 31st March 2023
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	8.45	8.45
Reserves and surplus	4	29.06	(16.05)
Total Equity		**37.51**	**(7.60)**
Current liabilities			
Trade payables	5	150.97	188.39
Other current liabilities	6	0.10	0.11
Short-term provisions	7	0.90	1.18
Total Current Liabilities		**151.97**	**189.68**
Total Equity and Liabilities		**189.48**	**182.08**
ASSETS			
Non-current assets			
Property, plant and equipment	8	0.03	0.03
Deferred tax assets (net)	9	-	0.17
Long-term loans and advances	10	1.56	20.68
Total Non Current Assets		**1.59**	**20.88**
Current assets			
Cash and cash equivalents	11	186.62	161.20
Other current assets	12	1.27	-
Total Current Assets		**187.89**	**161.20**
Total Assets		**189.48**	**182.08**
Notes 1 to 23 form an integral part of these financial statements			

This is the Balance sheet referred to in our report of even date

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

For and on behalf of the Board of Directors of
Pan Asia Freight Forwarding & Logistics India Private Limited

T.S.Dinesh Kumar
Partner
Membership No. 229153
Place : Chennai
Date: 7th May 2024
ICAI UDIN : 24229153BKEDBS8141

V.Mohan
Director
DIN : 08583004
Place: Chennai
Date: 7th May 2024

Raja Srinivasaraghavan
Director
DIN : 09570392
Place: Chennai

Pan Asia Freight Forwarding & Logistics India Private Limited
Statement of Profit and Loss for the year ended 31st March, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note	Year ended 31st March 2024	Year ended 31st March 2023
Revenue from operations		-	-
Other income	13	46.99	17.52
Total revenue		**46.99**	**17.52**
Operating expenses - Freight		-	-
Employee benefits expense		-	-
Finance costs		-	-
Depreciation expense		-	-
Other expenses	14	1.71	82.70
Total expenses		**1.71**	**82.70**
Profit / (Loss) before tax		**45.28**	**(65.18)**
Tax expenses:			
Current tax		-	21.21
Deferred tax		0.17	4.47
MAT credit entitlement		-	-
Total tax expenses		**0.17**	**25.68**
Profit /(Loss) for the year		**45.11**	**(90.86)**
Earnings per equity share			
Face value of Rs.10 per equity share			
Basic and diluted	15	**53.38**	**(107.53)**

Notes 1 to 23 form an integral part of these financial statements
This is the Statement of profit and loss referred to in our report of even date

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

For and on behalf of the Board of Directors of
Pan Asia Freight Forwarding & Logistics India Private Limited

T.S.Dinesh Kumar
Partner
Membership No. 229153
Place : Chennai
Date: 7th May 2024
ICAI UDIN : 24229153BKEDBS8141

V.Mohan
Director
DIN : 08583004
Place: Chennai
Date: 7th May 2024

Raja Srinivasaraghavan
Director
DIN : 09570392
Place: Chennai

Pan Asia Freight Forwarding & Logistics India Private Limited
Cash flow Statement for the year ended 31st March, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Cash flows from operating activities		
Profit / (loss) before tax	45.28	(65.18)
Adjustments for :		
Exchange Differences	(6.58)	14.72
Operating cash flow before working capital changes	**38.70**	**(50.46)**
Increase / (decrease) in working capital		
Other current liabilities	(0.01)	(2.61)
Trade payables	(30.82)	(6.47)
Other payables	(0.28)	(1.01)
Trade receivables	-	99.00
Short-term loans and advances	-	49.20
Other current assets	(1.27)	-
Cash generated from operations	**6.32**	**87.65**
Income taxes (paid) / refund	19.10	5.15
Net cash generated from operating activities	**25.42**	**92.80**
Cash flows from investing activities	-	-
Cash flows from financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	25.42	92.80
Cash and cash equivalents as at the beginning of the year	161.20	68.40
Cash and cash equivalents as at the end of the Period	**186.62**	**161.20**

Particulars	Year ended 31st March 2024	Year ended 31 March 2022
	Rs.	Rs.
Break up of cash and cash equivalents (Refer Note 11)		
Cash in hand	-	-
Balance with Banks	186.62	161.20
Cash and cash equivalents	**186.62**	**161.20**

This is the Cash flow statement referred to in our report of even date

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

For and on behalf of the Board of Directors of
Pan Asia Freight Forwarding & Logistics India Private Limited

T.S.Dinesh Kumar
Partner
Membership No. 229153
Place : Chennai
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Director
DIN : 09570392
Place: Chennai

Pan Asia Freight Forwarding & Logistics India Private Limited
Significant accounting policy information and other explanatory information for the year ended 31st March, 2024

1 a) Background of the company

Pan Asia Freight Forwarding & Logistics India Private Limited ('the Company') is engaged in a comprehensive Air freight services, Ocean freight services, Project logistics services, Automotive logistics solutions etc. with offices in Mumbai and Ahmedabad, its registered and head office is located at A/401, Polaris Business Park, Off Marol Maroshi Road, Andheri (East), Mumbai - 400 059.

b) Basis of preparation of financial statements

The financial statements which have been prepared and presented under the historical cost convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act, 2013 (the 'Act') and comply in all material aspects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

The Company has prepared books of accounts without following "going concern" assumption for the following reasons :

1. Despite significant efforts and also initiation of certain corrective measures, the Company has been incurring losses for the past few years.

2. In order to stop further drain of cash, the business has been stopped with effect from 1st April 2023.

c) Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the reporting year. Key estimates include estimate of useful lives of fixed assets, income taxes and future obligations under employee retirement benefit plans. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates. Any revisions to accounting estimates are recognised prospectively in the current and future periods.

d) Note on Going Concern

Since uncertainty exist as to the continuation of business, the financial statements have been prepared assuming that the Company will not continue as a going concern and accordingly all the assets are stated at realizable value and the liabilities are stated at settlement value as on the date of balance sheet.

2 Significant Accounting Policy Information

a) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and that it can be reliably measured. Revenue from Freight income is booked once shipments are shipped on vessels or flights and arrive/leave ports.

b) Property, Plant and Equipment and depreciation

i) Property, Plant and Equipment are stated at cost less accumulated depreciation, amortisation and impairment losses. Cost includes purchase price, inward freight, taxes and expenses incidental to acquisition and installation, up to the point the asset is ready for its intended use. Assets acquired but not ready for use are classified under capital work-in-progress.

ii) Depreciation on tangible assets is provided, pro rata for the period of use, on the written down value method (WDV) as per the useful life of the assets prescribed under Schedule II to the Companies Act, 2013.

c) Taxation

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits. At each Balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

e) Impairment of assets

The carrying amounts of the Company's assets are reviewed at Balance sheet date to determine whether there is any impairment. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment loss is recognised in the Statement of profit and loss or against revaluation surplus where applicable.

f) Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities are translated at the year-end rate. The difference between the rate prevailing on the date of transaction and on the date of settlement, as also on the translation of monetary assets and liabilities at the end of the year is recognised as income or expense, as the case may be, in the Statement of profit and loss.

g) Provisions and contingencies

Provisions comprise liabilities of uncertain timing or amount such as loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. Provisions are recognised when the Company has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Pan Asia Freight Forwarding & Logistics India Private Limited
Notes forming part of the financial statements for the period ended 31st March, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note '8'
Property, plant and equipment

Particulars	Furniture and Fixtures	Office Equipments	Computers	Total
Gross Block				
Balance as at 01 April 2022	0.74	3.88	18.64	23.26
Additions	-	-	-	-
Disposals	0.19	-	2.68	2.87
Balance as at 31 March 2023	0.55	3.88	15.96	20.39
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at 31 March 2024	0.55	3.88	15.96	20.39
Accumulated depreciation				
Balance as at 01 April 2022	0.74	3.85	18.64	23.23
Additions	-	-	-	-
Disposals	0.19	-	2.68	2.87
Balance as at 31 March 2023	0.55	3.85	15.96	20.36
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at 31 March 2024	0.55	3.85	15.96	20.36
Net block				
Balance as at 31 March 2023	-	0.03	-	0.03
Balance as at 31 March 2024	-	0.03	-	0.03

Pan Asia Freight Forwarding & Logistics India Private Limited
Notes forming part of the financial statements for the period ended 31st March, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	As At 31st March 2024	As At 31st March 2023
Note '3'		
Share capital		
Authorised capital		
5,00,000 (Previous year 5,00,000) Equity shares of Rs. 10 Each	50.00	50.00
Total	**50.00**	**50.00**
Issued, subscribed and fully paid		
84,500 (Previous year 84,500) Equity shares of Rs. 10 each fully paid-up	8.45	8.45
Total	**8.45**	**8.45**
a) Reconciliation of no. of shares		
Equity shares outstanding at beginning of the year	84,500	84,500
Issued during the year	-	-
Equity shares outstanding at end of the year	**84,500**	**84,500**
b) List of shareholders holding more than 5% shares		

Particulars	As At 31st March 2024	As At 31st March 2023
TVS SCS SINGAPORE PTE. LTD.		
No of Shares	84,499	84,499
Percentage	100%	100%

c) Terms / rights attached to equity shares

The Company has only one class of equity share having a face value of Rs. 10 per share. Each holder of equity share is entitled to one vote per equity share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company. The dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

d) The Company has not issued any bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2024.

Note '4'		
Reserves and surplus		
Securities premium		
Balance at the beginning of the year	37.25	37.25
Add: Received during the year	-	-
Balance at the end of the year	**37.25**	**37.25**
Surplus		
Balance at the beginning of the year	(53.30)	37.56
Add: Profit / (Loss) for the year	45.11	(90.86)
Balance at the end of the year	**(8.19)**	**(53.30)**
Total	**29.06**	**(16.05)**
Note '5'		
Trade payables		
Dues to micro and small enterprises	-	-
Dues to others	150.97	188.39
Total	**150.97**	**188.39**

Total outstanding dues of Micro,Small and Medium Enterprises (MSMEs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
The principal amount and the interest due thereon remaining unpaid to any supplier registered under MSMED Act at the end of each accounting year/period	-	-

Pan Asia Freight Forwarding & Logistics India Private Limited
Notes forming part of the financial statements for the period ended 31st March, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	As At 31st March 2024	As At 31st March 2023
The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year and period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006Further interest remaining due and payable for earlier years	-	-

Ageing Schedule for Trade Payables

As at 31st March 2024 Amounts Outstanding for the following periods form the due date of payment

Particulars	Less than 1 Year	1 - 2 Years	2 - 3 years	More than 3 years	Total
Undisputed					
MSME	-	-	-	-	-
Others	-	0.01	-	150.96	150.97
Disputed					-
MSME	-	-	-	-	-
Others	-	-	-	-	-

As at 31st March 2023 Amounts Outstanding for the following periods form the due date of payment

Particulars	Less than 1 Year	1 - 2 Years	2 - 3 years	More than 3 years	Total
Undisputed					-
MSME	-	-	-	-	-
Others	0.19	0.02	-	189.36	189.57
Disputed					-
MSME	-	-	-	-	-
Others	-	-	-	-	-

Note '6' **Other current liabilities**		
Statutory liabilities	0.10	0.11
Total	**0.10**	**0.11**
Note '7' **Short-term provisions**		
Provision for Expenses	0.90	1.18
Total	**0.90**	**1.18**

Pan Asia Freight Forwarding & Logistics India Private Limited
Notes forming part of the financial statements for the period ended 31st March, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	As At 31st March 2024	As At 31st March 2023
Note '9'		
Deferred tax assets (net)		
Deferred tax assets / (liabilities)		
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	-	0.17
Total	-	**0.17**
Note '10'		
Long-term loans and advances		
Advance taxes (Net of provisions)	1.56	20.68
Total	**1.56**	**20.68**

Note '11'		
Cash and cash equivalents		
Cash in hand	-	-
Deposits with Banks (Less than 12 months maturity)	20.00	-
Deposits with Banks (More than 12 months maturity)	157.00	-
Bank balance in current accounts	9.62	161.20
Total	**186.62**	**161.20**
Note '12'		
Other current assets		
Other receivables	0.51	-
Balances with statutory and government authorities	0.76	-
Total	1.27	-

Pan Asia Freight Forwarding & Logistics India Private Limited
Notes forming part of the financial statements for the period ended 31st March, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Note '13'		
Other income		
Exchange difference gain (net)	6.58	-
Interest income	9.09	0.57
Provision and liabilities as no longer Required	30.97	16.95
Other non operating income	0.35	-
Total	**46.99**	**17.52**
Note '14'		
Other expenses		
Bank charges	0.01	0.04
Rates & Taxes	0.44	49.34
Payments to auditors' (Refer Note)	1.00	1.45
Software maintenance charges	-	0.15
Legal and professional fees	0.26	0.05
Exchange loss on foreign currency transactions and translations	-	14.72
Bad debts written off	-	16.95
Total	**1.71**	**82.70**

Note:
Payments to Auditors

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Statutory audit fees	1.00	1.45
Total	**1.00**	**1.45**

Note '15'
Earnings per share

The basic earning/(loss) per equity share is computed by dividing the net profit/(loss) attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The earning/(loss) per share is calculated as under:

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Net profit/(loss) attributable to equity shareholders (Rupees in Lakhs)	45.11	(90.87)
Face value of equity share (Rupees)	10.00	10.00
Weighted average number of shares (Numbers)	84,500	84,500
Basic and diluted earnings per share (Rupees)	**53.38**	**(107.53)**

Pan Asia Freight Forwarding & Logistics India Private Limited
Notes forming part of the financial statements for the period ended 31st March, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note '16'
Related parties disclosure

(a) Names of related parties and description of relationship

In accordance with the disclosure requirements of Accounting Standard 18 "Related Party Disclosures" the details of related parties with whom transactions are undertaken are given below :

Name of the related party	Nature of relationship
TVS SUPPLY CHAIN SOLUTIONS PTE LIMITED	Ultimate Holding Company
TVS SCS SINGAPORE PTE. LIMITED	Holding company
TVS SCS INTERNATIONAL PTE. LIMITED	Fellow subsidiary

(b) Transactions during the year

Balances written back	For the year Ended 31st March 2024	For the year Ended 31st March 2023
TVS SCS INTERNATIONAL PTE. LTD.	30.97	-

(c) Balances at the year end

Balance payable to	As At 31st March 2024	As At 31st March 2023
TVS SCS SINGAPORE PTE. LTD.	150.95	117.87
TVS SCS INTERNATIONAL PTE. LTD.	-	30.97

Pan Asia Freight Forwarding & Logistics India Private Limited
Notes forming part of the financial statements for the period ended 31st March, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note '17'
Contingent Liabilities and Commitments

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Claims against the Company not acknowledged as Debts *		
Income Tax	0.56	-
Goods and Service Tax	16.32	-
Total	**16.88**	-

* The Management is of the opinion that the above demands are not sustainable and hence no provision needs to be made in the books of account.

Note '18'
Expenditure in foreign currency

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Software maintenance charges	-	1.06
Total	-	**1.06**

Note '19'
Ratios

Particulars	Formulae Used	31.3.2024	31.3.2023	Difference
(a) Current Ratio,	Current Assets / Current Liabilities	1.24	0.85	45%
(b) Debt Equity Ratio,	Total Borrowings / Equity	-	-	0%
(c) Debt Service Coverage Ratio,	EBIDTA / Finance cost	-	-	0%
(d) Return on Equity Ratio,	Net Profit / Equity	120%	1196%	-90%
(e) Inventory turnover ratio,	Turn over / Inventory	-	-	0%
(f) Trade Receivables turnover ratio,	Turn Over / Average Trade Receivable	-	-	0%
(g) Trade payables turnover ratio,	Purchase / Average Trade Payable	-	-	0%
(h) Net capital turnover ratio,	Net working Capital / Turn Over	-	-	0%
(i) Net profit ratio	Net Profit / Turn Over	0%	0%	0%
(j) Return on Capital employed,	EBIT / (Equity + Borrowing - Cash)	-30%	39%	-179%
(k) Return on investment.	Earnings / Investment	NA	NA	NA

Reasons for change in the ratio by more than 25% as compared to the preceding year
Refer Note 20 on Going Concern. The Company has ceased its operations. Hence the ratios are not comparable.

Note '20'
Note on Going Concern
The Company has explored opportunities for reviving the business activities however the efforts of management did not result in positive outcome and therefore the business has been stopped.

The Financial Statements have been prepared assuming that the Company will not continue as a going concern and accordingly all the assets and liabilities are stated at realisable value and settlement value respectively, as on the date of Balance Sheet.

Pan Asia Freight Forwarding & Logistics India Private Limited

Notes forming part of the financial statements for the period ended 31st March, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note '21'

Other Statutory Disclosures

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company's search based on publicly available database on struck off Companies did not reveal any transactions with such Companies.

(iii) The Company does not have charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company did not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(viii) The Company did not revalue its Property, Plant and Equipment. The Company does not have Intangible Assets/Investment property.

(ix) The Company does not have any investment and hence disclosures relating to compliance with number of layers of investment are not applicable.

(xi) The Company has not entered into or been a part of Scheme of Arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.

(x) The Company is not declared a wilful defaulter by any banks or financial institution or any other lender.

Note '22'

Events after the reporting period:

There has been no significant subsequent events after the reporting period requiring either disclosure or adjustment to the reported financial statements.

Pan Asia Freight Forwarding & Logistics India Private Limited
Notes forming part of the financial statements for the period ended 31st March, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note '23'
Previous year's figures have been regrouped/reclassified wherever necessary to be in conformity with current year's classification.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

For and on behalf of the Board of Directors of
Pan Asia Freight Forwarding & Logistics India Private Limited

T.S.Dinesh Kumar
Partner
Membership No. 22915:
Place : Chennai
Date: 7th May 2024
ICAI UDIN : 24229153BKEDBS8141

V.Mohan
Director
DIN : 08583004
Place: Chennai
Date: 7th May 2024

Raja Srinivasaraghavan
Director
DIN : 09570392
Place: Chennai

<u>TVS SCS (Korea) Ltd.</u>

FY 2023-24

Independent Auditor's Report

To the Board of Directors and Shareholders of
TVS SCS (Korea) Ltd.

Audit Opinion

We have audited the accompanying financial statements of TVS SCS(Korea) Ltd. (the "Company"), which comprise the statements of financial position as of March 31, 2024, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("K-IFRS").

Basis for Opinion

We conducted our audits in accordance with Korean Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The financial statements of the Company for the year ended March 31, 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on May 31, 2023.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with K-IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether theses financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but, is not a guarantee that an audit conducted in accordance with Korean Standards on Auditing will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the Company. We remain solely responsible for our audit opinion.

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.

Hanul LLC
Managing Partner
Sung Sub Shin

May 23, 2024

Notice to Readers

This audit report is effective as of the date of this audit report. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the audit report date to the time this audit report is read. Such events and circumstances could significantly affect the accompanying financial statements and may result in modifications to this report.

TVS SCS (Korea) Ltd.
Statements of Financial Position
As of March 31, 2024 and 2023

(in Korean won)	Note		March 31, 2024		March 31, 2023
Assets					
Current assets					
Cash and cash equivalents		₩	440,053,855	₩	1,256,857,342
Accounts receivable - trade	5,12		4,038,795,119		4,526,675,696
Short-term loans to affiliated company	5,12		1,723,656,684		5,522,402,124
Prepaid expenses			740,000		6,027,833
VAT receivable			3,054,752		-
Leasehold deposit			30,000,000		13,600,000
Current income tax assets			136,393,321		156,949,516
Total current assets			6,372,693,731		11,482,512,511
Non-current assets					
Property and equipment, net	3,4		10,385,204		7,478,031
Leasehold deposit-Non current			3,300,000		2,500,000
Net defined benefit assets			14,097,225		-
Total non-current assets			27,782,429		9,978,031
Total assets		₩	6,400,476,160	₩	11,492,490,542
Liabilities and Shareholders' Equity					
Current liabilities					
Accounts payable - trade	5,12,15	₩	710,653,594	₩	601,397,966
Withholdings			747,850		811,649
Advance receipts			10,325,028		10,379,791
Income taxes payable	10		55,093,396		142,356,927
Accrued expenses	15		73,058,644		116,539,472
Lease liabilities	3,15		-		-
Total current liabilities			849,878,512		871,485,805
Non-current liabilities					
Net defined benefit liabilities	3,6		-		29,993,399
Lease liabilities	3,15		-		-
Deferred income tax liabilities	10		131,268,499		232,599,209
Total non-current liabilities			131,268,499		262,592,608
Total liabilities			981,147,011		1,134,078,413
Shareholders' equity					
Capital stock					
Common stock	7		300,010,000		300,010,000
Capital surplus					
Additional paid in capital	7		749,856,295		749,856,295
Retained earnings	8				
Legal reserves			150,005,000		50,000,000
Retained earnings before appropriation			4,219,457,854		9,258,545,834
Total shareholders' equity			5,419,329,149		10,358,412,129
Total liabilities and shareholders' equity		₩	6,400,476,160	₩	11,492,490,542

The accompanying notes are an integral part of these financial statements.

TVS SCS (Korea) Ltd.
Statements of Comprehensive Income
For the reporting periods ended March 31, 2024 and 2023

(in Korean won)	Note	12 months ended March 31, 2024		12 months ended March 31, 2023	
Sales	12	₩	1,812,419,388	₩	5,223,488,413
Cost of sales	12		1,237,107,257		4,252,282,740
Gross profit			575,312,131		971,205,673
Selling and administrative expenses	9		648,528,926		909,824,698
Operating income(loss)			(73,216,795)		61,380,975
Non-operating income and expenses					
Interest income			180,661,198		280,055,093
Interest expense			-		(709,233)
Gain(Loss) on foreign exchange transaction, net			773,474,324		114,727,312
Gain(Loss) on foreign exchange translation, net			(445,409,586)		596,138,873
Gain(Loss) on disposition of property and equipment			-		2,007,800
Gain(Loss) on disposition of right of use			-		295,458
Others, net			707,816		363,551,225
Total non-operating income and expenses			509,433,752		1,356,066,528
Income before income taxes			436,216,957		1,417,447,503
Income tax expense	10		11,068,705		265,423,988
Net income			425,148,252		1,152,023,515
Other comprehensive income(loss)	6,10		233,798		(28,565,874)
Total comprehensive income		₩	425,382,050	₩	1,123,457,641
Basic earning per share		₩	14,179	₩	38,400
Diluted earning per share		₩	14,179	₩	38,400

The accompanying notes are an integral part of these financial statements.

TVS SCS (Korea) Ltd.
Statement of Changes in Shareholder's Equity
For the reporting periods ended March 31, 2024 and 2023

(in Korean won)	Capital stock	Capital surplus	Retained earnings	Total
Balances as of March 31, 2022	₩ 300,010,000	₩ 749,856,295	₩ 8,185,088,193	₩ 9,234,954,488
Net income	-	-	1,152,023,515	1,152,023,515
Actuarial gains, net of tax	-	-	(28,565,874)	(28,565,874)
Balances as of March 31, 2023	₩ 300,010,000	₩ 749,856,295	₩ 9,308,545,834	₩ 10,358,412,129
Balances as of March 31, 2023	₩ 300,010,000	₩ 749,856,295	₩ 9,308,545,834	₩ 10,358,412,129
Net income	-	-	425,148,252	425,148,252
Actuarial gains, net of tax	-	-	233,798	233,798
Dividend	-	-	(5,364,465,030)	(5,364,465,030)
Balances as of March 31, 2024	₩ 300,010,000	₩ 749,856,295	₩ 4,369,462,854	₩ 5,419,329,149

The accompanying notes are an integral part of these financial statements.

TVS SCS (Korea) Ltd.
Statements of Cash Flows
For the reporting periods ended March 31, 2024 and 2023

(in Korean won)		12 months ended March 31, 2024		12 months ended March 31, 2023
Cash flows from operating activities :				
Net Income	₩	425,148,252	₩	1,152,023,515
Addition of expenses not involving cash outflows:				
Depreciation		3,633,207		25,209,698
Bad debt expense		-		47,440,895
Severance and retirement benefits		26,376,996		31,366,355
Interest expense from finance lease		-		709,233
Income tax expense		11,068,705		-
		41,078,908		104,726,181
Deduction of income not involving cash inflows:				
Gain on foreign exchange transaction, net		(213,964,105)		(358,413,352)
Interest income		(180,661,198)		-
Gain on disposal of property and equipment		-		(2,007,800)
		(394,625,303)		(360,421,152)
Changes in operating assets and liabilities :				
Decrease(Increase) in accounts receivable		(174,583,437)		(323,150,570)
Decrease(Increase) in prepaid expenses		5,287,833		(1,750,530)
Decrease(Increase) in VAT receivable		(3,054,752)		-
Decrease(Increase) in current income tax assets		20,556,195		(36,959)
Increase(Decrease) in accounts payable		109,884,493		(777,801,358)
Increase(Decrease) in withholdings		(536,510,302)		(14,509,859)
Increase(Decrease) in advance from customers		(54,763)		(1,401,191)
Increase(Decrease) in income taxes payables		44,024,691		9,511,867
Increase(Decrease) in accrued expenses		(43,480,828)		3,070,953
Increase(Decrease) in deferred income tax liabilities		(101,392,485)		133,013,140
Payment of severance and retirement benefits		(19,836,976)		(90,518,709)
Increase(Decrease) in pension plan assets		(50,335,071)		68,355,644
		(749,495,402)		(995,217,572)
Cash flows from operating activities				
Interest received		2,501,192		-
Income tax paid		(142,356,927)		-
Net cash flow used in operating activities	₩	(817,749,280)	₩	(98,889,028)

(*Continued*)

TVS SCS (Korea) Ltd.
Statements of Cash Flows
For the reporting periods ended March 31, 2024 and 2023

(in Korean won)		12 months ended March 31, 2024		12 months ended March 31, 2023
Cash flows from investing activities :				
Cash inflows from investing activities:				
Decrease in loans to affiliated company	₩	-	₩	664,675,000
Disposal of vehicle		-		6,238,264
Decrease in leasehold deposit		-		61,770,000
		-		732,683,264
Cash outflows for investing activities:				
Increase in leasehold deposit		(17,200,000)		-
Purchase of other equipment		(6,540,380)		-
Net cash provided by investing activities		(23,740,380)		732,683,264
Cash flows from financing activities :				
Cash inflows from financing activities:		-		-
Cash outflows for financing activities:		-		-
Payments of lease liabilities		-		(25,607,566)
Net cash provided by(used in) financing activities		-		(25,607,566)
Net increase(decrease) in cash and cash equivalents		(841,489,660)		608,186,670
Changes in cash by foreign currency translation		24,686,173		-
Cash and cash equivalents at the beginning of year		1,256,857,342		648,670,672
Cash and cash equivalents at the end of year	₩	440,053,855	₩	1,256,857,342

The accompanyung notes are an integral part of these financial statements.

1. Reporting entity

TVS SCS (Korea) Ltd (the "Company") was spun-off from Pan Asia Logistics (Korea) Ltd. and incorporated on May 1, 2016 under the Commercial Code of the Republic of Korea, is licensed to engage in domestic and international freight forwarding business and other related business in Korea.

The Company's authorized common stocks are 1,000,000 shares at par value ₩10,000 and total issued and outstanding 30,001 shares at March 31, 2024, are wholly owned by TVS SCS Singapore Pte Ltd.

2. Basis of Preparation

(1) Application of Accounting Standards

The Company maintains its accounting records in Korean won and prepares statutory financial statements in the Korean language (Hangul) in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (Korean IFRS).
The financial statements of the Company have been prepared in accordance with Korean IFRS. These are the standards, subsequent amendments and related interpretations issued by the International Accounting Standards Board (IASB) that have been adopted by the Republic of Korea.

(2) Measurement Basis

The Financial statements have been prepared on the basis of historical cost except for the major items in the following statement of financial position.
-Derivative assets measured at fair value

(3) Functional and Presentation Currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Korean won, which is the controlling entity's functional and presentation currency.

(4) Estimation and Judgment

The preparation of the financial statements requires the use of critical accounting estimates. Management also needs to exercise judgment in applying the Company's accounting policies. Estimates based on management's best judgment as of the end of the reporting period and actual results may differ from those of the actual environment.
Estimates and basic assumptions are constantly being reviewed and changes in accounting estimates are recognized in the period during which the estimates are changed and during the period in which they will be affected in the future.

(5) Fair Value Hierarchy

The Company analyzes financial instruments that are measured at fair value on its statements of financial position and accordingly classifies and discloses fair value of the financial instruments into the following three-level hierarchy.
- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

3. Material Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Changes in Accounting Policies

New and amended IFRS and new interpretations that are effective for the current year

In the current year, the Company has applied a number of new and amended IFRS and new interpretations issued that are effective accounting periods beginning on or after 1 April 2023

- Amendment to IAS 1 'Presentation of financial statements': Disclosure of material accounting policies
- Amendment to IAS 1 'Presentation of financial statements': Disclosure of financial liabilities with refixing conditions
- Amendment to IAS 8 'Accounting policies, changes in accounting estimates and errors': Definition of accounting estimates
- Amendment to IFRS 12 'Income taxes': Addition of requirement for the exception of first recognition of deferred tax
- Amendment to IFRS 12 'Income taxes': International tax reform – Addition of Pilar 2 Best Rules
- Enactment of IFRS 17 'Insurance Contracts': replace of IFRS 4 Insurance Contracts

(2) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in banks, and financial instruments with maturity of three months or less at the times of purchase. These financial instruments are readily convertible into cash without significant transaction costs and bear low risks from changes in value due to interest rate fluctuation.

(3) Financial Instruments

Financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1) Financial assets

(a) Initial recognition and measurement

At initial recognition, the Company classifies its financial assets as financial assets measured at amortized cost, financial assets measured subsequently at fair value through other comprehensive income, and through profit or loss.

At initial recognition, the classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. At initial recognition, if a financial asset is not trading receivables that don't have a significant financing component to be measured at the transaction price, nor a designation option measured at fair value through profit or loss, the Company measures it at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Trading receivables that don't have a significant financing component to be measured at the transaction price according to Korean IFRS 1115.

In order to be eligible for measurement at amortized cost or fair value through other comprehensive income, an asset's contractual cash flows must be solely payments of principal and interest (SPPI). This test is called as SPPI test, and applied on an individual asset basis.

An entity's business model refers to how an entity manages its financial assets in order to generate cash flows. The Company's business model determines if cash flows will result from collecting contractual cash flows, selling financial assets or both.

(b) Measurement subsequent to initial recognition

a) Debt instruments measured at amortized cost

Debt instruments that meet the following two conditions must be subsequently measured at amortized cost.

- the object of the Company's business model is to hold the financial asset to collect the contractual cash flows
- 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

Financial assets measured at amortized cost are subsequently measured by the effective interest rate method, and reduced by impairment loss. Gain or loss from derecognition, change or impairment are recognized in profit or loss.

b) Debt instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments that meet the following two conditions must be subsequently measured at fair value through other comprehensive income.

- the object of the Company's business model is to hold the financial asset to collect the contractual cash flows, to sell financial assets or both
- 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

In debt instruments measured at fair value through other comprehensive income, interest income, gain or loss from foreign currency translation and impairment loss or reversal of impairment loss are measured as same way with debt instruments measured at amortized cost, and recognized in profit or loss. Other changes of fair value are recognized in other comprehensive income, and the accumulated gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss at derecognition.

c) Equity instruments measured at fair value through other comprehensive income (FVOCI)

At initial recognition, the Company can make an irrevocable election to designate investment on equity instruments as financial assets measured at fair value through other comprehensive income.

If equity instruments are held for trading, or a conditional payment recognized by an acquirer in a business combination, it is not allowed to designate as financial assets measured at fair value through other comprehensive income. This choice is made by each financial instrument.

Gain or loss from equity instruments measured at fair value through other comprehensive income can't be reclassified from equity to profit or loss at derecognition. Dividend income from such equity instruments continue to be recognized in profit or loss as 'Other non-operating income' when the right to receive payments is established, except for gain from refund of a part of the investment cost. Equity instruments measured at fair value through other comprehensive income do not recognize impairment loss.

d) Financial instruments measured at fair value through profit or loss(FVTPL)

Assets that do not meet the criteria for amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss. Financial instruments measured at fair value through profit or loss are measured at fair value at the end of every reporting period. A gain or loss is not part of a hedging relationship is recognized in profit or loss.

If an item is designated as financial instruments measured at fair value through profit or loss, accounting inconsistency is removed or significantly decreased, debt instrument that meets the requirements of an amortized cost measurement or FVOCI may be designated as FVTPL. But, this designation is irrevocable.

(c) Derecognition

Regular way purchases and sales of financial assets are recognized or derecognized on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. If a transfer does not result in derecognition because the Company has retained substantially all the risks and rewards of ownership of the transferred asset, the Company continues to recognize the transferred asset in its entirety and recognizes a financial liability for the consideration received. The Company classified the financial liability as "borrowings" in the statement of financial position.

In derecognition of financial instruments measured at amortized cost, the net amount of its carrying book amount and payments received or to be received, is recognized in profit or loss. In derecognition of debt instruments measured at fair value through other comprehensive income, the accumulated equity recognized previously is reclassified in profit or loss. But, in derecognition of equity instrument designated a measurement at fair value through other comprehensive income, the accumulated equity recognized previously is not reclassified in profit or loss, but in retained earnings.

(d) Impairment

The Company subsequently recognizes as loss allowance the expected credit losses on debt instruments measured at amortized cost or fair value through other comprehensive income, lease receivables, trade receivables and contract assets, and financial guarantee contracts subject to the impairment requirements of K-IFRS 1109. The expected credit loss is estimated the difference between a contractual cash flow and the Company's all expected cash flows to receive that is discounted by using the effective interest rate. The expected cash flows include cash flow resulted

from selling pledged assets or other credit reinforcements required as mandatory condition in contract.
In accordance with the expected credit loss model, K-IFRS 1109 accounts for expected credit losses and their changes at the end of each reporting period to reflect changes in credit risk since the financial asset's initial recognition. In particular, the loss allowance shall be measured at an amount equal to lifetime expected credit losses if the credit risk of the financial instrument has increased significantly since initial recognition or if the credit risk of the financial asset has been impaired upon acquisition. On the other hand, if the credit risk of the financial instrument has not increased significantly since initial recognition (except for credit-impaired financial assets at acquisition), the Company shall measure the loss allowance on the financial instrument at an amount equal to 12-month expected credit losses.
In impairment of debt instrument measured at fair value through other comprehensive income, the Company may apply the simplified approach for low credit risk. At every financial closing date, the Company assesses whether debt instrument has low credit risk by all reasonable and supportable information that can be used without high cost or efforts. To such assessment, the Company must reevaluate internal credit rating of the debt instrument.
If the Company's debt instruments measured at fair value through other comprehensive income consist of all listed bonds with the highest credit rating, they are determined as low credit risk investment. The Company has the policy to measure 12-month expected credit losses on these investments. But, the loss allowance shall be measured at an amount equal to lifetime expected credit losses if the credit risk of the financial instrument has increased significantly since initial recognition. The Company should determine if the credit risk of debt instrument significantly increases and, use credit rating institution's rating to measure the expected credit loss.
Regardless of the results of this evaluation, when the contractual payment is passed due over 30 days, it is considered that credit risk of financial instruments significantly increases if there is no reasonable and supportable evidence to disprove.
When the contractual payment is passed due over 90 days, the Company determines it is in default. But, in specific situation, if the Company can't collect entire contractual principal of investment without all credit reinforcement, it is considered as default. If there is no reasonable expectation to collect contractual cash flow, the financial instruments shall be derecognized.

2) Financial liabilities
At initial recognition, financial liabilities are classified as financial liabilities measured at fair value through profit or loss, loans and borrowings, trade payables or derivatives designated as hedge. All financial liabilities are measured at fair value, and the direct transaction cost are deducted from loans, borrowing and trade payables. All financial liabilities are subsequently measured at amortized cost using the effective interest rate method, or at fair value through profit or loss. But, financial guarantee contracts and financial liabilities that arise when a transfer of financial assets does not qualify for derecognition or continuing involvement approach is applied, are measured as specific accounting policies as follow.

(a) Financial liabilities measured at fair value through profit or loss
If financial liabilities are held for trading, contingent consideration recognized by an acquirer in a business combination, or designated as item measured at fair value through profit or loss at initial recognition, it is classified as financial liabilities measured at fair value through profit or loss. When

financial liabilities are repurchased in the near term, it is classified as held-for-trading. Also, in this category, derivatives that are not designated as hedges or bifurcated from financial instruments containing embedded derivatives are also categorized as held-for-trading.

(b) Financial liabilities measured at amortized cost
If financial liabilities are not held for trading, contingent consideration recognized by an acquirer in a business combination or, designated as item measured at fair value through profit or loss at initial recognition, it is classified as financial liabilities measured at amortized cost.
The effective interest rate method is to measure the amortized cost of financial liabilities and to allocate interest expense during relevant period. An effective interest rate is an interest rate to match the amortized cost of financial liabilities up with the present value of expected future cash flow that includes fees, point(main component of effective interest rate), transaction cost, and other premium or discount to pay or receive in the expected lifetime or shorter period(if necessary) of financial liabilities.

(c) Financial guarantee liabilities
Financial guarantee contracts requires the issuer of the contract to make specific payments to the contract holder for a loss incurred by the holder if a debtor fails to pay under the terms of a debt instrument.
At initial recognition, it is measured at fair value. After initial recognition, if it not designated as item measured at fair value through profit or loss, nor occurred from a transfer of financial assets, an issuer of such a contract shall subsequently measure it at the higher of:
- The amount of the loss allowance determined on lifetime expected credit losses in accordance with the principles of Korean IFRS 1115.
- The amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Korean IFRS 1115.

(d) Derecognition of financial liabilities
Financial liabilities are removed from the statement of financial position when it is extinguished; for example, when the obligation specified in the contract is discharged or cancelled or expired or when the terms of an existing financial liability are substantially modified. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

3) Offsetting of financial instruments
Financial assets and liabilities are offset and the net amount reported in the statements of financial position where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liability simultaneously.

(4) Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period, and the increase in the provision due to the passage of time is recognized as interest expense.

(5) Current and Deferred Tax

The tax expense for the period consists of current and deferred tax. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The tax expense is measured at the amount expected to be paid to the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The Company recognizes current income tax on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis.

(6) Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

(7) Interest income and expense

Interest income and expense are recognized in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter year) to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate includes all fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

(8) Fees and commissions

Fees and commission income are recognized as the related services are performed. Fees and commission expense relate mainly to transaction and service fees, which are expensed as the services are received.

(9) Paid-in capital

Common stock is classified as equity. Incremental costs directly attributable to equity transactions are deducted from equity as a net amount reflecting tax effects. When the Company repurchases its own equity instruments, these equity instruments are deducted directly from equity as a subject of treasury stock. Any gain or loss on the purchase or sale of, or the issue or cancellation of, an equity instrument is not recognized in profit or loss. When the Company acquires and holds treasury stock, the consideration paid or received is recognized directly in equity.

(10) Property and Equipment

Property and equipment are stated at cost (acquisition cost or manufacturing cost, plus expenditures directly related to preparing the asset ready for use in time for a place, net of sales discount given), and assets acquired from investment in kind, by donation or free of charge are stated at fair value. When an asset is exchanged for a similar kind of asset, the asset received is stated at the carrying value of the asset given. When an asset is exchange for a different kind of asset, the asset received is stated at the fair value of the asset given. When there is uncertainty as to the fair value of the asset given, the asset received is recorded at its fair value.

If the costs incurred after acquisition or completion increases the future economic benefit of an asset, such costs are capitalized. If the costs can be objectively measured and incurred to replace an existing asset, the exiting asset is removed from the financial statements. Costs incurred to repair and to maintain assets are expensed as incurred.

Property and equipment are depreciated using a straight-line method over their economic useful lives, which are determined from the time when the assets are ready for use (ready for their intended use by the management in time and for a place). Depreciation expense is recognized as manufacturing cost if it relates to manufactured goods, or as selling, general and administrative expense for all other cases as incurred.

Description	Useful life (years)
Equipment	5
Vehicles	5

An asset whose use is discontinued and held for a sale or a disposal is no longer depreciated and reclassified to investment assets at its carrying value. Reclassified investment assets are tested for impairment at the end of the reporting period.

(11) Defined Benefit Liabilities

The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognized in the statement of financial position in respect to defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses resulting from the changes in actuarial assumptions, and the differences between the previous actuarial assumptions and what has actually occurred, are recognized in other comprehensive income in the period in which they were incurred. Past service costs are immediately recognized in profit or loss.

4. PROPERTY AND EQUIPMENT:

Changes in property and equipment for the reporting periods ended March 31, 2024 and 2023, are as follows (in thousands of Korean won):

Current period

Accounts	April 1, 2023	Acquisition	Disposal	Depreciation	March 31, 2024
Equipment	₩7,478	₩6,540	-	₩(3,633)	₩10,385

Prior period

Accounts	April 1, 2022	Acquisition	Disposal	Depreciation	March 31, 2023
Equipment	₩12,597	₩-	₩(1,355)	₩(3,764)	₩7,478
Vehicles	1	-	(1)	-	-
Right of use asset	4,421	33,226	(16,201)	(21,446)	-
Total	₩17,019	₩33,226	₩(17,557)	₩(25,210)	₩7,478

5. MONETARY ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES:

Monetary assets and liabilities denominated in foreign currencies as of March 31, 2024 and 2023, are as follows (in foreign currencies and thousands of Korean won):

		March 31, 2024		March 31, 2023	
	Foreign currency	Foreign currencies	Korean won equivalent	Foreign Currencies	Korean won equivalent
Assets:					
Cash equivalent	USD	252,144	339,538	923,283	1,201,170
Trade account receivable	USD	2,798,265	3,768,163	3,343,555	4,349,890
	EUR	1,453	2,111	405	571
	SGD	70,819	70,678	(89,445)	(87,434)
	AUD	1,415	1,243	-	-
Short-term loans to affiliated company	USD	1,280,000	1,723,657	4,244,810	5,522,402
Liabilities:					
Trade accounts payable	USD	63,316	85,261	103,792	135,031
	EUR	33,271	48,342	51,113	72,113
	CHF	423	631	-	-
	SGD	499,412	498,415	333,087	325,598
	JPY	1,571,675	13,982	-	-

6. DEFINED BENEFITS LIABILITIES:

(1) Changes in defined benefits liabilities for the reporting periods ended March 31, 2024 and March 31, 2023, are as follows (in thousands of Korean won):

	Current period	Prior period
Beginning	₩78,117	₩108,703
Current service cost	26,574	26,487
Net interest cost	762	4,879
Remeasurement:	-	-
Actuarial gain from adjustment of experience	(353)	30,544
Payment	(65,552)	(92,497)
Ending	₩39,548	₩78,117

As at March 31, 2024, the Company has plan asset to fund define benefit liabilities by ₩53,645 thousand.

(2) The principal actuarial assumptions as of March 31, 2024 and March 31, 2023, are follows:

	March 31, 2024	March 31, 2023
Discount rate	4.66%	4.94%
Salary growth rate	3.00%	2.00%

7. COMMON STOCK:

(1) Details of common stock as of March 31, 2024 and March 31, 2023, are as follows (in thousands of Korean won, except for share data):

	March 31, 2024	March 31, 2023
Number of shares authorized	1,000,000 shares	1,000,000 shares
Par value	₩10	₩10
Number of shares issued	30,001 shares	30,001 shares
Common stock	₩300,010	₩300,010

(2) There are no changes in capital stock for the reporting periods ended March 31, 2024 and March 31, 2023.

8. STATEMENT OF APPROPRIATION OF RETAINED EARNINGS:

Statement of appropriation of retained earnings for the reporting periods ended March 31, 2024 and March 31, 2023, are as follows (in thousands of Korean won):

	Current period	Prior period
RETAINED EARNINGS BEFORE APPROPRIATION:		
Beginning of period	₩9,308,546	₩8,185,088
Net income	425,148	1,152,024
Actuarial gains(losses), net of tax	234	(28,566)
Dividend	(5,364,465)	-
End of period	4,369,463	9,308,546
APPROPRIATION OF RETAINED EARNINGS:	-	-
UNAPPROPRIATED RETAINED EARNINGS TO BE CARRIED FORWARD TO SUBSEQUENT PERIOD	₩4,369,463	₩9,308,546

9. SELLING AND ADMINISTRATIVE EXPENSES:

Details of selling and administrative expenses for the reporting periods ended March 31, 2024 and March 31, 2023, are as follows (in thousands of Korean won):

Accounts	Current period	Prior period
Salaries	₩347,981	₩445,459
Provision for severance indemnities	26,377	31,366
Employee welfare	37,411	53,481
Recruitment	4,833	376
Travel	10,074	6,717
Entertainment	6,523	10,484
Communications	3,339	4,031
Utilities	-	234
Taxes and dues	4,544	450
Depreciation	3,633	25,210
Rent	34,052	22,060
Repair and maintenance	4,042	4,799
Insurance	26,487	12,106
Vehicles	-	1,906
Office supplies	1,897	2,782
Commission	114,808	201,867
Software maintenance	22,528	39,056
Bad debt expense	-	47,441
Total	₩648,529	₩909,825

10. INCOME TAX EXPENSE:

(1) The components of income tax expense for the reporting periods ended March 31, 2024 and March 31, 2023, are as follows (in thousands of Korean won):

	Current period	Prior period
Current tax expenditure	₩130,869	₩124,354
Changes in deferred tax for temporary differences	(101,331)	133,013
Actuarial gain(loss)	62	8,057
Other	(18,531)	-
Income tax expense	₩11,069	₩265,424

(2) The income tax expense calculated by applying statutory tax rates to the Company's income before income taxes for the reporting period, differs from the actual tax expense in the statement of income for the reporting periods ended March 31, 2024 and March 31, 2023, for the following reasons (in thousands of Korean won):

Description	Current period	Prior period
Income before income tax expense	₩436,217	₩1,417,448
Tax expense at the statutory tax rate	69,169	289,839
Adjustment		
Non-deductible expense etc.	1,003	-
Other	(59,103)	(24,415)
Income tax expense	₩11,069	₩265,424
Effective tax rate	2.5%	18.7%

(3) Changes in temporary differences for the reporting periods ended March 31, 2024 and March 31, 2023, and the related deferred tax assets (liabilities) as of March 31, 2024 and March 31, 2023, are as follows (in thousands of Korean won):

Current period

Description	April 1, 2023	Increase	Decrease	March 31, 2024
Gain on foreign currency translation	₩(1,155,074)	₩445,410	₩0	₩(709,664)
Accrued expenses	102,499	73,059	102,499	73,059
Severance benefit	78,117	26,983	65,552	39,548
Pension plan assets	(96,851)	(37,139)	(94,443)	(39,547)
Bad debt allowance	3,648	8,527	3,648	8,527
Unpaid severance benefit	62,768	-	62,768	-
Subtotal	₩(1,004,893)			₩(628,077)
Not recognized as deferred tax assets	-			-
Recognized as deferred tax assets(liabilities)	₩(1,004,893)			₩(628,077)
Tax rate				20.9%
Deferred tax assets (liabilities), net	₩(232,599)			₩(131,268)

Prior period

Description	April 1, 2022	Increase	Decrease	March 31, 2023
Gain on foreign currency translation	₩(558,935)	₩(1,155,074)	₩(558,935)	₩(1,155,074)
Accrued expenses	301,664	116,539	301,664	116,539
Right of use assets	(4,420)	-	(4,420)	-
Lease liabilities	4,999	-	4,999	-
Severance benefit	108,703	61,910	92,497	78,116
Pension plan assets	(304,674)	-	(207,823)	(96,851)
Subtotal	₩(452,663)			₩(1,057,270)
Not recognized as deferred tax assets	-			-
Recognized as deferred tax assets(liabilities)	₩(452,663)			₩(1,057,270)
Tax rate	22%			22%
Deferred tax assets(liabilities), net	₩(99,586)			₩(232,599)

11. STATEMENT OF CASH FLOWS:

The statements of cash flows are presented using the indirect method. Significant non-cash transactions for the reporting periods ended March 31, 2024 and March 31, 2023, are as follows (in thousands of Korean won):

Account	Current period	Prior period
Recognition of right of use assets and lease liabilities	-	₩33,226
Reclassification of withholding tax on interest income from intercompany loan from Accounts receivable to current income tax assets	-	156,913
Reclassification of long-term loans to affiliated company to short-term loans to affiliated company	-	3,604,080
Set-off of dividends and loans to affiliates	₩4,705,091	-

12. RELATED-PARITY TRANSACTIONS:

(1) As of March 31, 2024, the related parties of the Company are as follows:

Relationship	Name of the company
Ultimate Parent	TVS Supply Chain Solutions Pte Ltd.
Parent	TVS SCS Singapore Pte Ltd
Others	TVS SCS Logistics Ltd (China) / TVS SCS Logistics (Thailand) Limited / Pan Asia Container Line Pte Limited / TVS SCS Hong Kong Ltd / PT. TVS SCS Indonesia/ TVS SCS Vietnam Company Limited / TVS SCS Taiwan Limited / TVS SCS Deutschland GmbH / TVS SCS International Freight (Spain), S.L.U / TVS SCS (Ausy) Pty Ltd / TVS SCS New Zealand Limited / TVS SCS Global Freight Solutions Limited / TVS SCS Rico Italia SRL / TVS SCS Malaysia Sdn Bhd

(2) Significant transactions (in thousands of Korean won):

		Current period		
Relationship	Company	Sales	Expense	Interest income
Ultimate parent	TVS Supply Chain Solutions Pte Ltd	₩790	₩60,401	₩-
Parent	TVS SCS Singapore Pte Ltd	48,127	156,321	178,160
Others	TVS SCS Logistics Ltd (China)	1,078	14,743	-
	TVS SCS Logistics (Thailand) Limited	1,860	-	-
	Pan Asia Container Line Pte Limited	-	298,971	-
	PT. TVS SCS Indonesia	2,006	-	-
	TVS SCS Vietnam Company Limited	3,083	53,762	-
	TVS SCS Malaysia Sdn Bhd	-	-	-
	TVS SCS Deutschland GmbH	91,659	-	-
	TVS SCS International Freight (Spain), S.L.U	38,351	13,236	-
	TVS SCS (Aust) Pty Ltd	67,180	298	-
	TVS SCS New Zealand Limited	29,385	-	-
	TVS SCS Global Freight Solutions Limited	118,681	210	-
	TVS SCS Rico Italia SRL	804	-	-
	TVS SCS Hong Kong Limited	300	-	-
	Total	₩403,302	₩597,942	₩178,160

Relationship	Company	Prior period		
		Sales	Expense	Interest income
Ultimate parent	TVS Supply Chain Solutions Pte Ltd	₩-	₩181,513	₩-
Parent	TVS SCS Singapore Pte Ltd	110,411	78,285	114,944
Others	TVS SCS Logistics Ltd (China)	4,489	3,517	-
	TVS SCS Logistics (Thailand) Limited	8,373	-	-
	PT Pan Asia Logistics Indonesia	443	-	-
	TVS SCS Vietnam Company Limited	4,307	-	-
	TVS SCS Malaysia Sdn Bhd	-	-	-
	TVS SCS Taiwan Limited	34,356	-	-
	TVS SCS Deutschland GmbH	25,977	411	-
	TVS SCS International Freight (Spain), S.L.U	17,282	49,143	-
	TVS SCS (Aust) Pty Ltd	144,204	4,084	-
	TVS SCS New Zealand Limited	24,573	-	-
	TVS SCS Global Freight Solutions Limited	68,813	1,019	-
	Total	₩443,229	₩317,972	₩114,944

(3) Significant account balances (in thousands of Korean won):

Relationship	Company	March 31, 2024		
		Receivables	Payables	Loan
Ultimate parent	TVS Supply Chain Solutions Pte Ltd	₩41,196	₩9,163	₩-
Parent	TVS SCS Singapore Pte Ltd	2,272,582	528,344	1,723,656
Others	TVS SCS Logistics Ltd (China)	-	4,103	-
	TVS SCS Logistics (Thailand) Limited	1,302	-	-
	Pan Asia Container Line Pte Limited	-	-	-
	PT. TVS SCS Indonesia	2,552	-	-
	TVS SCS Vietnam Company Limited	5,865	54,611	-
	TVS SCS Malaysia Sdn Bhd	5,756	665	-
	TVS SCS Deutschland GmbH	773,955	14,887	-
	TVS SCS International Freight (Spain), S.L.U	5,596	-	-
	TVS SCS (Aust) Pty Ltd	625,090	750	-
	TVS SCS New Zealand Limited	10,775	-	-
	TVS SCS Global Freight Solution Limited	29,678	-	-
	TVS SCS Rico Italia SRL	815	-	-
	TVS SCS Hong Kong Limited	298	-	-
	Total	₩3,775,462	₩612,523	₩1,723,656

Relationship	Company	March 31, 2023 Receivables	Payables	Loan
Ultimate parent	TVS Supply Chain Solutions Pte Ltd	₩-	₩21,231	₩-
Parent	TVS SCS Singapore Pte Ltd	2,783,808	340,189	5,522,402
Others	TVS SCS Logistics Ltd (China)	1,607	2,422	-
	TVS SCS Logistics (Thailand) Limited	271	-	-
	Pan Asia Container Line Pte Limited	-	22,091-	-
	PT Pan Asia Logistics Indonesia	443	-	-
	TVS SCS Vietnam Company Limited	2,483	-	-
	TVS SCS Malaysia Sdn Bhd	5,561	642	-
	TVS SCS Deutschland GmbH	657,714	14,455	-
	TVS SCS International Freight (Spain), S.L.U	1,299	9,233	-
	TVS SCS (Aust) Pty Ltd	671,330	2,976	-
	TVS SCS New Zealand Limited	72,304	-	-
	TVS SCS Global Freight Solution Limited	5,683	449	-
	Total	₩4,202,503	₩413,688	₩5,522,402

(4) Significant loan transactions (in thousands of Korean won)

Company	Current period April 1, 2023	Increase	Decrease	F/X Effect	March 31, 2024
TVS SCS Singapore Pte Ltd	5,522,402	-	(3,306,356)	(492,390)	1,723,656

Company	Prior period April 1, 2022	Increase	Decrease	F/X Effect	March 31, 2023
TVS SCS Singapore Pte Ltd	5,828,664	-	(664,675)	358,413	5,522,402

13. INSURANCE COVERAGE:

The Company's insurance policies as of March 31, 2024, are as follows:

Type of insurance	Assets	Coverage	Insurance company
Freight Forwarder's liability insurance	Business-liability	USD 1,000,000 per accident and up to USD1,000,000 in the annual aggregate	AIG Insurance Company

14. COLLATERAL, GUARANTEES AND CONTINGENCIES:

(1) Guarantees provided by others

The Company was provided guarantees of ₩6.5 million by Seoul Guarantee Insurance Company for performance guarantee.

(2) Guarantees provided by the Company

As of March 31, 2024, there are no guarantees provided by the Company to others.

(3) Litigation

As of March 31, 2024, there is no outstanding litigation against the Company.

15. FINANCIAL INSTRUMENTS:

(1) There is no financial instrument, which is measured at fair value subsequent to initial recognition as of March 31, 2024 and March 31, 2023.

(2) Maturity analysis for financial liabilities and financial risk management

1) The Company's financial liabilities by residual contractual maturity as of March 31, 2024 and March 31, 2023, are classified as follows (in thousands of Korean won):

Current period

Description	Less than 1 year	1–5 years	More than 5 years	Total
Trade accounts payable	₩710,654	₩-	₩-	₩710,654
Accrued expenses	73,059	-	-	73,059
Total	₩783,713	₩-	₩-	₩783,713

Prior period

Description	Less than 1 year	1–5 years	More than 5 years	Total
Trade accounts payable	₩601,398	₩-	₩-	₩601,398
Accrued expenses	116,539	-	-	116,539
Total	₩717,937	₩-	₩-	₩717,937

2) Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Board of directors, which has the primary responsibilities for liquidity risk management, aims to maintain flexibility in funding by keeping committed credit lines available and maintaining enough reserves to avoid any potential cash shortfalls. The Company ensures that it has sufficient cash on demand to meet its liabilities when due, with cash flows from operating activities and financial assets.

TVS SCS (Siam) Limited

FY 2023-24

THAIADVISORY

บริษัท ไทย ออดิท แอนด์ แอดไวเซอรี่ จำกัด
๓๙/๑๗๓ ซอยลาดพร้าว ๒๓
แขวงจันทรเกษม เขตจตุจักร
กรุงเทพมหานคร ๑๐๙๐๐
โทร. (๖๖)๐ ๒๐๙๒ ๔๒๗๗ – ๗๙

THAI AUDIT & ADVISORY CO., LTD.
39/173 Soi Ladprao 23
Chan Kasem Sub-District, Chatuchak District,
Bangkok 10900
Tel: (66)0 2092 4277 - 79

Independent Auditor's Report

To the Shareholders of TVS SCS (Siam) Limited

Opinion

I have audited the financial statements of TVS SCS (Siam) Limited. (the "Company") which comprise the statement of financial position as at March 31, 2024, the statement of income and statement of change in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2024 and its financial performance for the year ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matters

Please draw attention to Note 2 to the financial statements which described the approval of the dissolution of the Company and the basis for preparing the financial statements. My opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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

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

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

(Wachirawit Kitinan)
Certified Public Accountant
Registration No. 14498

Thai Audit & Advisory Co., Ltd.
Bangkok
May 3, 2024

TVS SCS (SIAM) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

UNIT : BAHT

	Notes	2024	2023
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	451,511.51	3,160,422.76
Trade and other accounts receivable	5	6,965,646.91	6,965,862.25
Other current assets		261.54	21,134.54
Total current assets		7,417,419.96	10,147,419.55
NON-CURRENT ASSETS			
Equipment	6	-	31.00
Intangible assets	7	-	-
Total non-current assets		-	31.00
TOTAL ASSETS		**7,417,419.96**	**10,147,450.55**

We certify that the above information is true

(Mrs. Duongjai Kornkosiyakarj)
Director

Notes to the financial statements form an integral part of these statements

UNIT : BAHT

	Notes	2024	2023
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Trade and other payables	8	30,112.09	78,907.70
Accrued interest		11,222,661.76	9,821,204.72
Short-term loan form related parties	9	21,779,436.69	22,871,126.11
Total current liabilities		33,032,210.54	32,771,238.53
TOTAL LIABILITIES		33,032,210.54	32,771,238.53
SHAREHOLDERS' EQUITY			
SHARE CAPITAL			
Authorized share capital			
100,000 common shares of Baht 100 each		10,000,000.00	10,000,000.00
Issued and Paid-up share capital			
100,000 common shares of Baht 100 each		10,000,000.00	10,000,000.00
DEFICITS		(35,614,790.58)	(32,623,787.98)
TOTAL SHAREHOLDERS' EQUITY		(25,614,790.58)	(22,623,787.98)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**7,417,419.96**	**10,147,450.55**

We certify that the above information is true

(Mrs. Duongjai Kornkosiyakarj)
Director

Notes to the financial statements form an integral part of these statements

TVS SCS (SIAM) LIMITED
STATEMENT OF INCOME
FOR THE YEAR ENDED MARCH 31, 2024

		UNIT : BAHT
	2024	**2023**
REVENUES		
Interest income	-	149.65
Other income	-	2,508,125.00
Total revenues	-	2,508,274.65
EXPENSES		
Administrative expenses	58,727.13	235,262.79
Loss on exchange rate	1,410,694.67	512,914.53
Total expenses	1,469,421.80	748,177.32
PROFIT (LOSS) BEFORE FINANCE COSTS AND INCOME TAX EXPENSES	**(1,469,421.80)**	**1,760,097.33**
FINANCE COSTS	(1,521,580.80)	(1,667,131.51)
PROFIT (LOSS) BEFORE INCOME TAX EXPENSES	**(2,991,002.60)**	**92,965.82**
INCOME TAX EXPENSES	-	-
NET PROFIT (LOSS)	**(2,991,002.60)**	**92,965.82**

We certify that the above information is true

(Mrs. Duongjai Kornkosiyakarj)
Director

Notes to the financial statements form an integral part of these statements

TVS SCS (SIAM) LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED MARCH 31, 2024

			UNIT : BAHT
	ISSUED AND PAID-UP CAPITAL	DEFICIT	TOTAL
BEGINNING BALANCE AS AT APRIL 1, 2022	10,000,000.00	(32,716,753.80)	(22,716,753.80)
Net profit (loss)	-	92,965.82	92,965.82
ENDING BALANCE AS AT MARCH 31, 2023	10,000,000.00	(32,623,787.98)	(22,623,787.98)
BEGINNING BALANCE AS AT APRIL 1, 2023	10,000,000.00	(32,623,787.98)	(22,623,787.98)
Net profit (loss)	-	(2,991,002.60)	(2,991,002.60)
ENDING BALANCE AS AT MARCH 31, 2024	10,000,000.00	(35,614,790.58)	(25,614,790.58)

We certify that the above information is true

(Mrs. Duongjai Kornkosiyakarj)
Director

Notes to the financial statements form an integral part of these statements

1 General information

TVS SCS (Siam) Limited ("The Company") was incorporated on May 13, 2005, registered no. 0105548063889, as a limited company to engage in the business of Logistics service.

The address of its registered office is 335/15 Moo 9, Bangna-Trad Km.19 Rd., Bang Chalong Sub-district, Bang Phli District, Samutprakarn, 10540.

2 Basis of preparation of the financial statements

These financial statements have been prepared in accordance with the Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs) as issued by the Thailand Federation of Accounting Professions (TFAC).

The financial statements are prepared and presented in Thai Baht and are prepared on historical cost basis except as stated in the accounting policies.

The preparation of financial statements in conformity with TFRS for NPAEs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

On March 25, 2024, TVS Supply Chain Solutions Limited, which is the parent of the Company, held the Board of Directors' Meeting to consider the dissolution of the Company. The meeting resolved to approve the dissolution of the Company. As a result, it is inappropriate to use the going-concern basis of accounting to prepare current financial statements. Therefore, the Company prepared its financial statement based on a non-going concern basis.

In this regard, the Company measured assets value based on the carrying amount or other net consideration value expected to be received, whichever is lower, and measured liabilities value based on net settlement value or other consideration value to be paid. The Company classified all assets and liabilities as current items.

This English translation of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3 Significant accounting policies

3.1 Cash and cash equivalents

Cash comprises cash on hand, deposits held at call with banks but excludes deposits with banks which are held to maturity, certificates of deposit issued by commercial banks and financial institutions, and restricted deposits. Cash equivalents comprise short-term highly liquid investments with maturities of three months or less from the date of acquisition.

3.2 Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

3.3 Trade and other accounts payable

Trade and other accounts payable are stated at cost.

3.4 Provisions

A provision is 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 benefits will be required to settle the obligation. Provisions are determined by the best estimate method.

3.5 Revenue and expenses recognition

Revenue and expenses are recognized on accrual basis.

3.6 Foreign currency translations

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized in the statement of income.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

3.7 Income tax

Current tax is expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

4 Cash and cash equivalents

	Baht	
	March 31, 2024	**March 31, 2023**
Cash on hand	-	1,622.00
Cash at bank – savings account	-	-
Cash at bank – current account	451,511.51	3,158,800.76
Total	**451,511.51**	**3,160,422.76**

5 Trade and other accounts receivable

	Baht	
	March 31, 2024	**March 31, 2023**
Revenue Department receivable	6,773,646.91	6,773,862.25
Other receivables	192,000.00	192,000.00
Total	6,965,646.91	6,965,862.25
Less Allowance for doubtful debts – other receivable	-	-
Net	**6,965,646.91**	**6,965,862.25**

6 Equipment

	Baht			
	March 31, 2023	Increase	Decrease	March 31, 2024
Cost				
Computers	241,321.49	-	(241,321.49)	-
Office equipment	277,909.34	-	(277,909.34)	-
Furniture & fittings	18,840.93	-	(18,840.93)	-
Total	**538,071.76**	-	**(538,071.76)**	-
Accumulated depreciation				
Computers	241,308.49	-	(241,308.49)	-
Office equipment	277,898.34	-	(277,898.34)	-
Furniture & fittings	18,833.93	-	(18,833.93)	-
Total	**538,040.76**	-	**(538,040.76)**	-
Equipment - net	**31.00**			-

	Baht			
	March 31, 2022	Increase	Decrease	March 31, 2023
Cost				
Computers	241,321.49	-	-	241,321.49
Office equipment	277,909.34	-	-	277,909.34
Furniture & fittings	18,840.93	-	-	18,840.93
Total	**538,071.76**	-	-	**538,071.76**
Accumulated depreciation				
Computers	241,308.49	-	-	241,308.49
Office equipment	277,898.34	-	-	277,898.34
Furniture & fittings	17,733.72	1,100.21	-	18,833.93
Total	**536,940.55**	**1,100.21**	-	**538,040.76**
Equipment - net	**1,131.21**			**31.00**

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7 Intangible assets

	Baht			
	March 31, 2023	Increase	Decrease	March 31, 2024
Computer program	24,000.00	-	(24,000.00)	-
Less Accumulated amortization	24,000.00	-	(24,000.00)	-
Intangible asset – net	-			-

	Baht			
	March 31, 2022	Increase	Decrease	March 31, 2023
Computer program	24,000.00	-	-	24,000.00
Less Accumulated amortization	24,000.00	-	-	24,000.00
Intangible asset – net	-			-

8 Trade and other accounts payable

	Baht	
	March 31, 2024	March 31, 2023
Other payables	112.09	17,500.00
Accrued expenses	30,000.00	61,407.70
Total	**30,112.09**	**78,907.70**

9 Short-term loans from related parties

	Baht	
	March 31, 2024	March 31, 2023
Short-term loans from following related parties		
TVS Supply Chain Solutions Pte Ltd. (India)	21,779,436.69	20,371,126.11
TVS Supply Chain Solutions Pte Ltd. (Singapore)	-	2,500,000.00
Total	**21,779,436.69**	**22,871,126.11**

The Company has an outstanding unsecured short-term loan from TVS Supply Chain Solutions Pte Ltd (India) amounting to USD 0.59 million. The loan bore interest rate at 7.25% per annum and the repayment date is within 60 days after receiving demand letter.

The Company has an outstanding unsecured short-term loan from TVS Supply Chain Solutions Pte Ltd (Singapore) amounting to Baht 2.50 million. The loan bore interest rate at 7% per annum and the repayment date is within 60 days after receiving demand letter. However, during 2024, the Company has settled the unsecured loan together with the interest to this company.

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10 Approval of financial statements

The financial statements were approved and authorized by the directors on May 3, 2024.

We certify that the above information is true and accurate in all respects.

(Mrs. Duongjai Kornkosiyakarj)
Director

TVS SCS International Freight (Thailand) Limited

FY 2023-24

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of
TVS SCS International Freight (Thailand) Limited

Opinion

I have audited the financial statements of TVS SCS International Freight (Thailand) Limited, which comprise the statement of financial position as at March 31, 2024, and the statement of income and statement of changes in shareholders' equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of TVS SCS International Freight (Thailand) Limited as at March 31, 2024, its financial performance for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further describe in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Methavee Chanasongkram.

(Miss Methavee Chanasongkram)
Certified Public Accountant
Registration No. 12784

Dharmniti Auditing Company Limited
Bangkok, Thailand
June 14, 2024

TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024

ASSETS

		Baht	
	Note	2024	2023
Current assets			
Cash and cash equivalents	3	10,694,708.23	17,778,471.43
Trade and other receivables	4	437,358.06	14,040,513.90
Total current assets		11,132,066.29	31,818,985.33
Non-current assets			
Investments in subsidiary	6	255,000.00	255,000.00
Equipment	7	-	6.00
Total non-current assets		255,000.00	255,006.00
TOTAL ASSETS		11,387,066.29	32,073,991.33

The accompanying notes are an integral part of the financial statements.

TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED

STATEMENT OF FINANCIAL POSITION (Cont.)

AS AT MARCH 31, 2024

LIABILITIES AND SHAREHOLDERS' EQUITY

	Note	Baht 2024	2023
Current liabilities			
Trade and other payable	8	105,045.00	15,535,131.52
Income tax payables		542,694.09	1,057,064.52
Total current liabilities		647,739.09	16,592,196.04
Non - current liabilities			
Long - term loan from related companies	9	-	6,164,389.42
Total non-current liabilities		-	6,164,389.42
TOTAL LIABILITIES		647,739.09	22,756,585.46
Shareholders' equity			
Share capital	10		
Authorized, share capital			
9,800 preference shares of Baht 100 each		980,000.00	980,000.00
10,200 ordinary shares of Baht 100 each		1,020,000.00	1,020,000.00
		2,000,000.00	2,000,000.00
Issued and paid-up share capital			
9,800 preference shares of Baht 100 each		980,000.00	980,000.00
10,200 ordinary shares of Baht 100 each		1,020,000.00	1,020,000.00
		2,000,000.00	2,000,000.00
Retained earnings		8,739,327.20	7,317,405.87
TOTAL SHAREHOLDERS' EQUITY		10,739,327.20	9,317,405.87
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		11,387,066.29	32,073,991.33

The accompanying notes are an integral part of the financial statements.

TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED MARCH 31, 2024

	Note	Baht	
		2024	2023
Revenues			
Services income		979,395.75	64,434,637.31
Other income		4,480,478.84	2,974,675.18
Total revenues		5,459,874.59	67,409,312.49
Expenses			
Cost of services		887,651.18	54,022,723.38
Administrative expenses		2,560,763.06	6,244,074.76
Total expenses		3,448,414.24	60,266,798.14
Profit before finance cost and income tax		2,011,460.35	7,142,514.35
Finance cost		-	-
Profit before income tax		2,011,460.35	7,142,514.35
Income tax		589,539.02	1,391,588.72
Net profit for the year		1,421,921.33	5,750,925.63

The accompanying notes are an integral part of the financial statements.

TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

		Baht			
		Paid - up Share Capital		Retained	Total
		Preference	Ordinary	earnings	
	Note	Shares	Shares		
Balance as at March 31, 2022		980,000.00	1,020,000.00	1,566,480.24	3,566,480.24
Net profit for the year		-	-	5,750,925.63	5,750,925.63
Balance as at March 31, 2023		980,000.00	1,020,000.00	7,317,405.87	9,317,405.87
Net profit for the year		-	-	1,421,921.33	1,421,921.33
Balance as at March 31, 2024		980,000.00	1,020,000.00	8,739,327.20	10,739,327.20

The accompanying notes are an integral part of the financial statements.

TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

1. GENERAL INFORMATION

(a) Legal status and address

TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED The Company was registered to be a limited Company with the Ministry of Commerce on December 14, 2011.

The address of its registered office is as follows:

Head office : 65, 42 Tower, M Floor, Room No. M1-M2, Soi Sukhumvit 42 (Kluaynamthai), Sukhumvit Road, Prakanong, Klongtoey, Bangkok.

(b) Nature of the Company's business

Main business activities of the Company is logistics services.

(c) Major shareholder companies

Its major shareholders is TVS Supply Chain Solutions (Holding) Limited (holding 51%).

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis for preparation of financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E. 2547 by complying with Thai Financial Reporting Standards for Non-Publicly Accountable Entities (Revised 2022) from January 1, 2023. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for limited company, issued under the Accounting Act B.E. 2543.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

2.2 Revenues and expenses recognition

The Company recognizes agency commission and other service income excluding value added tax, when the services have already been rendered.

The Company recognizes other income and expenses on the accrual basis.

2.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at bank, and all highly liquid investment with an original maturity of three months or less and not subject to withdrawal restrictions.

2.4 Trade accounts receivable, other receivable and allowance for doubtful accounts.

Trade accounts receivable and other receivable (including balance with related parties) are initially recognized by the invoice amount and subsequently measured at the remaining amount less an allowance for doubtful accounts (if any) based on a review of all outstanding amounts at year end. The allowance for doubtful accounts is the difference between the carrying amount of trade accounts receivable and the amount expected to be collectible. Bad debts are immediately recognized in the income statement as part of administrative expenses.

The company provides allowance for doubtful accounts equal to the estimated collection losses that may be incurred in the collection of all receivables. The estimated losses are based on a review of the current status of each receivable by considering the ability to repay debt and the amount expected to be paid from the debtor.

2.5 Investment in subsidiary

Subsidiary id this company in which the Company has the power to control the financial and operating policies generally accompanying a share holding of more than one-half of the voting rights.

Investment in subsidiary is stated at cost net from allowance on decline in value (if any). Loss on decline in value of investment will be recognized as loss in the statement of income in the financial statement.

2.6 Equipment

Equipment is stated at cost less accumulated depreciation and allowance on decline in value loss (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company (if any).

Allowance for impairment loss of assets will be made when there is any event or circumstance indicating that the recoverable values of these assets are less than their carrying values.

Expenditure incurred in addition, renewal or betterment are recorded add in involve fixed asset, if it is certainly probable the future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Repair and maintenance costs are recognized as an expense when incurred.

Depreciation is calculated by cost less residual value on the straight-line basis over the estimated useful lives of the assets as follows :

	Years
Office equipment	5
Furniture and fixtures	5

The Company has reviewed the residual value and useful life of the assets every year.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

Equipment are written off at disposal. Gain or losses arising from sale or write - off of assets are recognized in the statement of comprehensive income.

2.7 Trade accounts payable and others payable

Trade and other accounts payable (including balances with related parties) are stated at cost.

2.8 Provisions

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

2.9 Operating Lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under an operating lease are recognized as expense on a straight-line basis over the lease term.

2.10 Employee benefits obligations

Short-term employment benefits

The Company recognizes salary, wage, bonus and contributions to social security fund as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Company has obligations in respect of the severance payments that it must pay to the employees upon retirement under the labor law and policy of the Company. The Company treats these severance payment obligations as a defined benefit plan and calculates post-employment benefits for employees who work for the company until retirement

2.11 Foreign currency transactions

Transactions in foreign currencies are recorded at the rates prevailing at the transactions date. Assets and liabilities denominated in foreign currencies, at the end of the year are translated into Baht at the rates exchange of at the statement of financial reporting date. Gains or losses from translation are charged to current year operations.

2.12 Income tax

The Company records income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates 20% of net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

2.13 Using of accounting estimation

Preparation of financial statements in accordance with the financial reporting standards requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

2.14 Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company’s operations.

3. CASH AND CASH EQUIVALENTS

Consist of :-

	Baht	
	2024	2023
Cash	148.19	2,530.00
Deposits at bank - current accounts	10,408,748.13	17,581,753.86
Deposits at bank - saving accounts	285,811.91	194,187.57
Total	10,694,708.23	17,778,471.43

Savings accounts bear interest at floating interest rates which are set by banks.

4. TRADE AND OTHER RECEIVABLES

Consist of:-

	Baht	
	2024	2023
Trade account receivables	437,358.06	11,578,220.61
Other receivables		
Customer advance	-	2,437,705.28
Prepaid expenses	-	13,751.24
Account receivables - Revenue Department	-	10,836.77
Other receivables - employee	-	4,524,107.92
Less Allowance for doubtful accounts	-	(4,524,107.92)
Total other receivables	-	2,462,293.29
Total trade and other receivables	437,358.06	14,040,513.90

The Company is in the process of filing a lawsuit against the employees in the court, which until now is in the process of filing a lawsuit to the court. The result is not yet known, therefore, as at March 31, 2023, the Company recorded the transaction as other receivable amounting to Baht 4.52 million. Therefore, the management of the company consider recorded allowance for doubtful accounts for the full amount. In 2024, the management recorded the outcome of damage and not expected to be repaid and other it had considered to cut off such entire amount of transaction.

5. Short - term loan to related company

Movement of Short-term loan to related parties for the years ended March 31, 2024 and 2023 were as follows :

	Baht			
	Balance as at	Transaction during the year		Balance as at
	Mar. 31, 23	Addition	Deduction	Mar. 31, 24
TVS SCS Logistics (Thailand) Limited	-	9,000,000.00	(9,000,000.00)	-
	-	9,000,000.00	(9,000,000.00)	-

Short-term loans to related parties has entered into loan agreement. Such loan has interest rate at 6.45% per annum and there is no collateral.

6. INVESTMENT IN SUBSUDIARY

Consist of:

		Paid up share capital (Million Baht)		Percentage of shareholding (%)		Cost method (Baht)	
Name of company	Nature of business	2024	2023	2024	2023	2024	2023
TVS Supply Chain Solution (Holding) Limited	Management consulting service	500,000.00	500,000.00	51.00	51.00	255,000.00	255,000.00
						255,000.00	255,000.00

7. EQUIPMENT

Consist of:-

	Baht			
	Balance as at	Transactions during the year		Balance as at
	Mar 31, 23	Increase	Decrease	Mar 31, 24
At Cost				
Computer	148,400.00	-	(148,400.00)	-
Office equipment	135,800.00	-	(135,800.00)	-
Total	284,200.00	-	(284,200.00)	-
Less Accumulated depreciation				
Computer	(148,396.00)	-	148,396.00	-
Office equipment	(135,798.00)	-	135,798.00	-
Total	(284,194.00)	-	284,194.00	-
Equipment - net	6.00			-

	Baht			
	Balance as at	Transactions during the year		Balance as at
	Mar 31, 22	Increase	Decrease	Mar 31, 23
At Cost				
Computer	148,400.00	-	-	148,400.00
Office equipment	135,800.00	-	-	135,800.00
Total	284,200.00	-	-	284,200.00
Less Accumulated depreciation				
Computer	(142,718.94)	(5,677.06)	-	(148,396.00)
Office equipment	(124,373.78)	(11,424.22)	-	(135,798.00)
Total	(267,092.72)	(17,101.28)	-	(284,194.00)
Equipment - net	17,107.28			6.00

	Baht	
	2024	2023
Depreciation for the year	-	17,101.28
Gain from disposal asset	3,732.32	-

8. TRADE AND OTHER PAYABLES

Consist of:-

	Baht	
	2024	2023
Trade account payables	-	11,965,421.63
Other payables		
Accrued expenses	105,000.00	293,954.48
Account payables - Revenue Department	45.00	13,635.10
Other payables - TVS SCS (Siam) Limited	-	3,262,120.31
Total	105,045.00	3,569,709.89
Trade and other payables	105,045.00	15,535,131.52

9. Long - term loan from related company

Movement of long-term loan from related parties for the years ended March 31, 2024 and 2023 were as follows :

	Baht			
	Balance as at	Transaction during the year		Balance as at
	Mar. 31, 23	Addition	Deduction	Mar. 31, 24
Transtar International Freight Hong Kong	6,164,389.42	-	(6,164,389.42)	-
	6,164,389.42	-	(6,164,389.42)	-

	Baht			
	Balance as at	Transaction during the year		Balance as at
	Mar. 31, 22	Addition	Deduction	Mar. 31, 23
Transtar International Freight Hong Kong	6,164,389.42	-	-	6,164,389.42
TVS Supply Chain Solution (Thailand) Ltd.	1,700,000.00	-	(1,700,000.00)	-
	7,864,389.42	-	(1,700,000.00)	6,164,389.42

Long-term loans from related parties has no collaterals and no interest is charged.

10. PREFERENCE SHARES

Preferred shares has right which is different from share capital. The different of right is dividend and vote which is regarding to company regulation.

11. EVENTS AFTER THE REPORTING PERIOD

According to the Board of Directors' Meeting of the Company No.1/2024 held on April 9, 2024, it had a resolution to approve the interim dividend payment to the shareholders of the preference shares at 3 percent of the paid-up value of such preference shares amounted Baht 6.41 million and paid to the shareholders of the ordinary shares amounted Baht 2.14 million. The total amount was Baht 8.75 million. The Company was due for the dividend payment to the shareholders on June 21, 2024.

12. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors of the Company on June 14, 2024.

TVS SCS International Freight Hong Kong Limited

FY 2023-24

Independent Auditors' Report to the Sole Shareholder of

TVS SCS INTERNATIONAL FREIGHT HONG KONG LIMITED
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of TVS SCS International Freight Hong Kong Limited set out on pages 5 to 13, which comprise the statement of financial position as at 31 March 2024, and the income statement, the statement of changes in equity for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements of the company are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-Sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance Cap 622.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") and with reference to PN 900 (Revised) Audit of Financial Statements Prepared in Accordance with the Small and Medium-Sized Entity Financial Reporting Standard issued by the HKICPA. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The directors are responsible for the other information. The other information comprises all the information included in the directors' report, other than the financial statements and our auditors' report thereon.

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

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

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

Independent Auditors' Report to the Sole Shareholder of

TVS SCS INTERNATIONAL FREIGHT HONG KONG LIMITED
(Incorporated in Hong Kong with limited liability)

Responsibilities of directors and those charged with governance for the financial statements

The directors are responsible for the preparation of financial statements in accordance the SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance Cap 622, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. This report is made solely to you in accordance with section 405 of the Hong Kong Companies Ordinance Cap 622, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditors' Report to the Sole Shareholder of

TVS SCS INTERNATIONAL FREIGHT HONG KONG LIMITED
(Incorporated in Hong Kong with limited liability)

Auditors' responsibilities for the audit of the financial statements (Cont'd)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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.

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, if any, that we identify during our audit.

Wong Brothers CPA Limited
Certified Public Accountants (Practising)

Albert Wing Wa, Chui
Practising Certificate Number: P06952

Hong Kong,

TVS SCS INTERNATIONAL FREIGHT HONG KONG LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 HK$	2023 HK$
Revenue	3	- -	- -
Other income	3	1,598	31,040
Administrative and general expenses		(228,923)	(132,860)
Loss on dissolution of a subsidiary		(6,859,608)	- -
Loss before tax	4	(7,086,933)	(101,820)
Income tax	6	- -	- -
Loss for the year		(7,086,933)	(101,820)

TVS SCS INTERNATIONAL FREIGHT HONG KONG LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	Notes	2024 HK$	2023 HK$
ASSETS			
Non-current assets			
Property, plant and equipment	7	- -	- -
Investment in subsidiaries	8	316,838	11,029,807
Loans receivable	9	- -	1,707,245
Total non-current assets		316,838	12,737,052
Current assets			
Other receivables		4,053,894	- -
Cash and bank balances		394,085	1,372
Total current assets		4,447,979	1,372
Total assets		4,764,817	12,738,424
EQUITY AND LIABILITIES			
Equity attributable to equity holders			
Share capital	10	8,000,000	8,000,000
Accumulated losses		(7,373,388)	(286,455)
Exchange reserve		(18,822)	(18,822)
Total equity		607,790	7,694,723
Current liabilities			
Trade and other payables	11	4,157,027	5,043,701
Total equity and liabilities		4,764,817	12,738,424

Approved by the board of directors
on

James Christopher Payne
Director

Vittorio Marino Favati
Director

TVS SCS INTERNATIONAL FREIGHT HONG KONG LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

	Share capital HK$	Accumulated losses HK$	Exchange reserve HK$	Total HK$
At 1 April 2023	8,000,000	(286,455)	(18,822)	7,694,723
Loss for the year	- -	(7,086,933)	- -	(7,086,933)
At 31 March 2024	8,000,000	(7,373,388)	(18,822)	607,790

1. GENERAL INFORMATION

The company is a limited liability company incorporated and domiciled in Hong Kong. The address of its registered office is Unit 1403 & 05, Tower Two, Ever Gain Plaza, 88 Container Port Road, Kwai Chung, N.T.

The principal activity of the company is investment holding.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies were consistently applied during the year, unless otherwise stated.

2.1 Basis of preparation

As the company is a holding company that is a wholly owned subsidiary of another body corporate, it satisfies the exemption criteria set out in section 379(3)(a) of the Hong Kong Companies Ordinance Cap 622 ("HKCO"), and is not required to prepare consolidated financial statements.

The company qualifies for the reporting exemption as a small private company under section 359 of the Hong Kong Companies Ordinance Cap 622 and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with SME-FRS, the requirements of the Hong Kong Companies Ordinance that are relevant to the preparation of the company-level financial statements by an intermediate holding company, and have been prepared under the accrual basis of accounting and the historical cost convention, and on the basis that the company is a going concern.

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The depreciable amount of an item of property, plant and equipment is allocated on a systematic basis using the straight-line method over its estimated useful life as follows:

Leasehold improvement	- 30%
Furniture and fixtures	- 20%
Office equipment	- 20%
Computer equipment	- 33% to 50%

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.3 Subsidiaries

Subsidiaries are entities (including structured entities) over which the company has control. The company controls an entity when the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Investments in subsidiaries are stated at cost less impairment losses. Results of subsidiaries are accounted for by the company on the basis of dividend received and receivable.

2.4 Impairment of assets

An assessment is made at the end of each reporting year to determine whether there is any indication of impairment or reversal of previous impairment, including items of investment in subsidiaries and loans receivables. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the income statement. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

2.5 Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are expensed in profit or loss on a straight-line basis over the period of the lease.

2.6 Taxation

Taxation represents current income tax expense. The income tax payable represents the amount expected to be paid to the taxation authority, applying the tax rate and tax laws that have been enacted or substantively enacted by the end of the reporting period.

2.7 Revenue

Revenue is recognised when it is probable that the economic benefits will flow to the company and when the revenue can be measured reliably, on the following bases:-

Interest income is accrued on a time basis by reference to the principal outstanding and at the interest rate applicable.

2.8 Cash and cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.9 Related party

A party is related to the company if:

(a) A person or a close member of that person's family is related to the company if that person:

- (i) Has control or joint control over the company;
- (ii) Has significant influence over the company; or
- (iii) Is a member of the key management personnel of the company or of the holding company of the company;

(b) An entity is related to the company if any of the following conditions applies:

- (i) The entity and the company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or of an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint venture of the same third party.
- (iv) One entity is a joint venture of a third party and other entity is an associate of the third party.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of the holding company of the entity).

3. REVENUE AND OTHER INCOME

	2024 HK$	2023 HK$
Revenue	- -	- -
Other income		
Bank interest income	1,098	468
Gain on exchange	- -	20,342
Sundry income	500	10,230
	1,598	31,040
	1,598	31,040

4. LOSS BEFORE TAX

Loss before taxation is arrived at after charging loss on exchange of HK$88,517 (2023: Nil).

5. DIRECTORS' REMUNERATION

The directors did not receive any remuneration for their services rendered during the year (2023: Nil). All director are the key management of the company.

6. INCOME TAX

Hong Kong Profits Tax is not recognised as the company has no assessable income for the year (2023: Nil).

7. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvement HK$	Furniture and fixtures HK$	Office equipment HK$	Computer equipment HK$	Total HK$
Cost					
At 1 April 2023	672,412	33,463	105,583	545,900	1,357,358
Disposals	(672,412)	(33,463)	(105,583)	(545,900)	(1,357,358)
At 31 March 2024	--	--	--	--	--
Aggregate depreciation					
At 1 April 2023	672,412	33,463	105,583	545,900	1,357,358
Eliminated on disposal	(672,412)	(33,463)	(105,583)	(545,900)	(1,357,358)
At 31 March 2024	--	--	--	--	--
Net book value					
At 31 March 2024	--	--	--	--	--
At 31 March 2023	--	--	--	--	--

8. INVESTMENT IN SUBSIDIARIES

	2024 HK$	2023 HK$
Unlisted investments, at cost	316,838	11,029,807

Details of the subsidiaries at the reporting date are as follows:-

Name of subsidiary	Principal place of business and country of incorporation	Proportion of ownership interest held	Principal activities
TVS Supply Chain Solutions Holdings Limited ("TVS Holdings")	Thailand	49% (Note)	Investing and management consulting
Transtar International Freight SDN. BHD.	Malaysia	100%	Freight forwarding
TVS SCS International Freight (Thailand) Limited ("TVS SCS Thailand")	Thailand	49% (Note)	Logistics

Note: Despite that the company owns 49% equity interest in TVS Holdings and TVS SCS Thailand respectively, the company controls the board of directors of these two companies and hence, they are classified as the subsidiaries of the company.

9. LOANS RECEIVABLE

	2024 HK$	2023 HK$
Loans receivable from subsidiary	- -	1,707,425

The loans was unsecured, interest-free, and fully settled during the year.

10. SHARE CAPITAL

	2024 HK$	2023 HK$
Issued and fully paid		
8,000,000 ordinary shares	8,000,000	8,000,000

11. TRADE AND OTHER PAYABLES

	2024 HK$	2023 HK$
Amount due to fellow subsidiaries	4,132,527	5,019,201
Accrued expenses and other payables	24,500	24,500
	4,157,027	5,043,701

Amount due to fellow subsidiaries is unsecured, interest free and repayable on demand.

12. IMMEDIATE AND ULTIMATE HOLDING COMPANIES

The immediate holding company is Kanh Nominees Pty Limited, a company incorporated in Australia. The directors consider the ultimate holding company to be TVS Supply Chain Solutions Limited, a company incorporated in India.

13. RELATED PARTY TRANSACTIONS

During the year, the company in the ordinary course of business had the following material related party transactions:-

	2024 HK$	2023 HK$
Intermediate holding company		
Management fee expense	- -	218,669

TVS SCS International Pte. Ltd.

FY 2023-24

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

TVS SCS INTERNATIONAL PTE. LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TVS SCS International Pte. Ltd. (the "company"), which comprise the statement of financial position of the company as at March 31, 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 6 to 25.

In our opinion, the accompanying financial statements of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the company as at March 31, 2024 and of the financial performance, changes in equity and cash flows of the company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 2 to the financial statements, which indicate that the financial statements have been prepared on a basis other than that of a going concern as the directors have expressed their intention to cease operations pursuant to the proposed amalgamation of the company's business with a related company. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

TVS SCS INTERNATIONAL PTE. LTD

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting. When such use is inappropriate and management uses an alternative basis of accounting, we conclude whether the alternative basis used by management is acceptable in the circumstances. We also evaluate the adequacy of the disclosures describing the alternative basis of accounting and reasons for its use. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.

Public Accountants and
Chartered Accountants
Singapore

July 8, 2024

TVS SCS INTERNATIONAL PTE. LTD.

STATEMENT OF FINANCIAL POSITION
March 31, 2024

	Note	2024	2023
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	6	51,822	37,200
Trade and other receivables	7	-	343,707
Total current assets		51,822	380,907
Non-current asset			
Plant and equipment	8	-	-
Total assets		51,822	380,907
LIABILITY AND NET CAPITAL DEFICIENCY			
Current liability			
Trade and other payables	9	17,770,681	18,479,200
Capital and accumulated losses			
Share capital	10	100	100
Accumulated losses		(17,718,959)	(18,098,393)
Net capital deficiency		(17,718,859)	(18,098,293)
Total liability and net capital deficiency		51,822	380,907

See accompanying notes to financial statements.

TVS SCS INTERNATIONAL PTE. LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Year ended March 31, 2024

	Note	2024	2023
		$	$
Revenue		-	-
Freight and handling expenses		-	-
Other operating income	11	860,950	280,056
Employee benefits expense		-	-
Depreciation expense	8	-	(24,985)
Other operating expenses	12	(253,545)	(102,840)
Finance costs	13	(227,971)	(272,240)
Profit (Loss) before tax		379,434	(120,009)
Income tax expense	14	-	-
Profit (Loss) for the year, representing total comprehensive income (loss) for the year		379,434	(120,009)

See accompanying notes to financial statements.

TVS SCS INTERNATIONAL PTE. LTD.

STATEMENT OF CHANGES IN EQUITY
Year ended March 31, 2024

	Share capital	Accumulated losses	Net
	$	$	$
Balance at April 1, 2022	100	(17,978,384)	(17,978,284)
Loss for the year, representing total comprehensive loss for the year	-	(120,009)	(120,009)
Balance at March 31, 2023	100	(18,098,393)	(18,098,293)
Profit for the year, representing total comprehensive income for the year	-	379,434	379,434
Balance at March 31, 2024	100	(17,718,959)	(17,718,859)

See accompanying notes to financial statements.

TVS SCS INTERNATIONAL PTE. LTD.

STATEMENT OF CASH FLOWS
Year ended March 31, 2024

	2024	2023
	$	$
Operating activities		
Profit (Loss) before tax	379,434	(120,009)
Adjustments for:		
Depreciation expense	-	24,985
Interest income	(15,608)	(45,978)
Interest expense	227,971	272,240
Loss allowance for impaired trade receivables from related party	93,129	74,740
Reversal of loss allowance for impaired trade receivables from related company	(845,342)	-
Operating cash flows before movements in working capital	(160,416)	205,978
Trade and other receivables	265,128	(84,172)
Trade and other payables	(125,525)	(263,548)
Cash used in operations, representing net cash used in operating activities	(20,813)	(141,742)
Investing activity		
Repayment of loan from a related company, representing net cash from investing activity	485,435	-
Financing activities		
Advances from a related company	1,050,000	26,282
Repayment of loan to a immediate holding company	(1,000,000)	-
Repayment of loan to a related company	(500,000)	-
Net cash (used in) from financing activities	(450,000)	26,282
Net increase (decrease) in cash and cash equivalents	14,622	(115,460)
Cash and cash equivalents at beginning of year	37,200	152,660
Cash and cash equivalents at end of year (Note 6)	51,822	37,200

See accompanying notes to financial statements.

1 GENERAL

The company (Registration No. 201201983M) is incorporated in the Republic of Singapore with its principal place of business and registered office at 21 Changi North Way, Pan Asia Logistics Centre, Singapore 498774. The financial statements are expressed in Singapore dollars.

The principal activity of the company are those of forwarding and freight services.

The financial statements of the company for the year ended March 31, 2024, were authorised for issue by the Board of Director on July 8, 2024.

2 MATERIAL ACCOUNTING POLICY INFORMATION

BASIS OF PREPARATION - The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in material accounting policy information below, and are drawn up in accordance with the provisions of the Singapore Companies Act 1967and Financial Reporting Standards in Singapore ("FRSs").

The directors have expressed their intention to cease operations pursuant to the proposed amalgamation of the company's business with TVS SCS Singapore Pte Ltd, a related company. Following the amalgamation of the company's business, the assets and liabilities of the company will be transferred to the related company at carrying amounts at the date of amalgamation with the related company being the surviving entity. Accordingly, these financial statements have been prepared on a basis other than that of a going concern, which includes, where appropriate, writing down the company's assets to net realisable value. The financial statements do not include any future cost of terminating the operations of the company except to the extent that such cost have been committed at the end of the reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these interim consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102, leasing transactions that are within the scope of FRS 116, and measurements that have some similarities to fair value but are not fair value, such as value in use in FRS 36.

ADOPTION OF NEW AND REVISED STANDARDS - On April 1, 2023, the company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the company's accounting policies and has no material effect on the amounts reported in the financial statements except as follows.

Amendments to FRSs 1-1 and FRSs Practice Statement 2: *Disclosure of Accounting Policies*

The company has adopted the amendments to FRSs 1-1 for the first time in the current year. The amendments change the requirements in FRSs 1-1 with regard to disclosure of accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in FRSs 1-1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The company has applied materiality guidance in FRSs Practice Statement 2 in identifying its material accounting policies for disclosures in the related notes. The previous term 'significant accounting policies' used throughout the financial statements has been replaced with 'material accounting policy information'.

STANDARDS ISSUED BUT NOT EFFECTIVE - At the date of authorisation of these financial statements, the company have not applied the following FRSs pronouncements that have been issued but are not yet effective:

<u>Effective for annual periods beginning on or after January 1, 2024</u>

- Amendments to FRS 1-1: *Classification of Liabilities as Current or Non-current*

Management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in future periods will have a material impact on the financial statements of the company in the period of their initial adoption.

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the company's statement of financial position when the company entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

<u>Effective interest method</u>

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest basis for debt instruments.

Financial assets

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is 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.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses (“ECL”) on trade and other receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The company always recognises lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the company’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the company considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. The company has identified the forecast economic information that relate to the freight forwarding business of the countries in which it perform services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the company has reasonable and supportable information that demonstrates otherwise.

The company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The company considers that default has occurred when a financial asset is more than 90 days past due unless the company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Write-off policy

The company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate.

If the company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method except for short-term balances when the recognition of interest would be immaterial.

Interest-bearing loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Interest expense calculated using the effective interest method is recognised over the term of the borrowings in accordance with the company’s accounting policy for borrowing costs.

Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

PLANT AND EQUIPMENT - Plant and equipment are stated at cost, less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, using the straight-line method, on the following bases:

Computers	-	3 years
Office equipment	-	5 years
Renovation	-	5 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

Fully depreciated assets still in use are retained in the financial statements.

REVENUE RECOGNITION - Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or renders service to a customer.

The company generates revenue principally by providing freight forwarding services and warehousing services.

Interest income

Interest income from loans to related companies are accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is recognised using the effective interest method.

INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION - The financial statements of the company and branch are measured in the currency of the primary economic environment in which they operate (its functional currency). The financial statements of the company and branch are presented in Singapore dollars.

In preparing the financial statements , transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgements in applying the company's accounting policies

Management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements.

(ii) Key sources of estimation uncertainty

The key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Calculation of loss allowance

When measuring ECL, the company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The carrying amount of the company's trade and other receivables is disclosed in Note 7 to the financial statements.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments at the end of the reporting period:

	2024	2023
	$	$
Financial assets		
At amortised cost	51,822	380,478
Financial liabilities		
At amortised cost	17,770,681	18,479,200

(b) Financial risk management policies and objectives

The company has adopted risk management policies that seek to mitigate financial risks in a cost effective manner. These risks include market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

There has been no change to the company's exposure to these financial risks or the manner in which it manages and measure the risk. Market risk exposures are measured using sensitivity analysis indicated as below:

(i) Foreign exchange risk management

The company transacts business in foreign currencies mainly in United States Dollar, and Euro and therefore is exposed to foreign exchange risk.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currency other than the functional currency of the company are as follows:

	Liabilities		Assets	
	2024	2023	2024	2023
	$	$	$	$
United States Dollar	12,869,732	12,931,460	69,999	282,612
Euro	-	-	-	11,131

Foreign currency sensitivity

The following table details the sensitivity to a 10% increase and decrease in the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign related companies where they gave rise to an impact on the company's profit or loss and/or equity.

If the relevant foreign currency weakens by 10% against the functional currency of the company, 2024 : profit for the year will (decrease) increase (2023 : loss for the year will (decrease) increase) by:

	2024	2023
	$	$
United States Dollar	1,279,973	(1,264,885)
Euro	-	1,113

(ii) Interest rate risk management

The company is not exposed to significant interest rate risk as it does not have any significant floating interest-bearing financial assets and liabilities. No sensitivity analysis is prepared as the company does not expect any material effect on the company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

(iii) Credit risk management

The company develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The company uses its own trading records to rate its major customers and other debtors.

The table below details the credit quality of the company's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

Category	**Description**	**Basis for recognising expected credit losses (ECL)**
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the company has no realistic prospect of recovery.	Amount is written off

For trade receivables and contract asset, the company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The company determines the ECL on these items by using a provision matrix, estimated based on historical credit loss experience based on the past default experience of the debtor, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The company has adopted procedures in extending credit terms to customers and in monitoring its credit risk. The company only grants credit to creditworthy counterparties. Cash is held with creditworthy institutions and is subject to immaterial credit loss.

Further details of credit risks on trade and other receivables are disclosed in Note 7 to the financial statements.

(iv) Liquidity risk management

Liquidity risk arises from the possibility that the company is unable to meet its obligations as and when they fall due. The company's operations are financed mainly through funding from related companies.

All financial assets and financial liabilities as at March 31, 2024 and 2023 are unsecured, repayable on demand or due within one year from the end of the reporting period.

At the end of the reporting period, the company's total current liabilities exceeded its total current assets by $17,718,859 (2023 : $18,098,293) and the company made a profit of $379,434 (2023 : loss $120,009). Out of total liabilities of $17,770,681 (2023 : $18,479,200), $17,758,181 (2023 : $18,444,178) are intercompany liabilities and by excluding them, the company will be in a net current asset position of $39,322 (2023 : $345,885). The directors have expressed their intention to cease operations pursuant to the proposed amalgamation of the company's business with a related company subsequent to the end of the financial year.

Liquidity and interest risk analyses

Non-derivative financial assets

All financial assets of the company are repayable on demand or due within one year for 2024 and 2023.

Non-derivative financial liabilities

The following tables detail the contractual maturity for non-derivative financial liabilities. 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 table includes both interest and principal cash flows.

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	Adjustments	Total
	% p.a.	$	$	$	$
March 31, 2024					
Non-interest bearing		14,092,037	-	-	14,092,037
Fixed interest rate instruments	5.00	3,862,576	-	(183,932)	3,678,644
Total		17,954,613	-	(183,932)	17,770,681
March 31, 2023					
Non-interest bearing	-	13,032,815	-	-	13,032,815
Fixed interest rate instruments	5.00	5,718,704	-	(272,319)	5,446,385
Total		18,751,519	-	(272,319)	18,479,200

(v) Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents and trade and other receivables and payables approximates their respective fair value due to the relatively short-term maturity of these financial instruments.

(c) Capital management policies and objectives

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the company consists only of issued capital.

The company is not subject to any externally imposed capital requirements.

The company's overall capital management strategy remains unchanged from prior year.

5 HOLDING COMPANY, RELATED COMPANY AND RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of TVS Supply Chain Solutions Pte. Ltd., incorporated in Singapore. The ultimate holding company, TVS Supply Chain Solutions Limited is incorporated in India.

Related companies in these financial statements refer to members of the ultimate holding company's group of companies. The intercompany balances are unsecured, interest-free and repayable on demand unless stated otherwise.

During the year, the company entered into the following transactions with its related companies:

	2024	2023
	$	$
Interest expense to related companies	194,958	222,240
Interest expense to immediate holding company	33,013	50,000
Interest income from related companies	(15,608)	(45,978)
Rendering of services from related companies	-	-

Compensation of directors and key management personnel

There is no remuneration paid to directors, who are the only key management personnel of the company.

6 CASH AND CASH EQUIVALENTS

	2024	2023
	$	$
Cash at bank	51,822	37,200

7 TRADE AND OTHER RECEIVABLES

	2024	2023
	$	$
Trade and other receivables:		
Amount due from related companies (non-trade) (Note 5)	497,264	811,309
Loans to a related company (Note 5)	-	846,399
Less: Loss allowance for impaired receivables	(497,264)	(1,314,430)
	-	343,278
Input tax	-	429
	-	343,707

Trade receivables

The average credit period on sale of goods is 30 days (2023 : 30 days). No interest is charged on the outstanding balance.

Loss allowance for trade receivables has been measured at an amount equal to lifetime expected credit losses (ECL). The ECL on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Other receivables, loans to related companies and advances to related companies

The company's other receivables due from related companies are unsecured, repayable on demand and interest free.

Loans to a related company are unsecured, repayable on demand and bears interest rate between 5 % and 6 % per annum (2023 : interest rate between 5% and 6% per annum).

Advances to a related company is unsecured, repayable on demand and interest free.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for receivables.

In determining the loss allowance for amount due from related companies (non-trade) and loans to a related company, management has taken into account the financial position of the related companies, adjusted for factors that are specific to it and general economic conditions of the industry in which it operate, in estimating the probability of default of these receivables as well as the loss upon default.

The movement in credit loss allowance trade and other receivables are as follows:

	2024	2023
	$	$
Balance at beginning of the year	1,314,430	1,239,690
Increase in allowance recognised in profit or loss	93,129	74,740
Reversal of allowance recognised in profit or loss	(845,342)	-
Amount written off	(64,953)	-
Balance at end of the period	497,264	1,314,430

8 PLANT AND EQUIPMENT

	Renovation	Office equipment	Computers	Total
	$	$	$	$
Cost:				
At April 1, 2022	97,140	1,200	235,567	333,907
Disposals	(97,140)	(1,200)	(235,567)	(333,907)
At March 31, 2023 and March 31, 2024	-	-	-	-
Accumulated depreciation:				
At April 1, 2022	72,499	1,200	235,223	308,922
Depreciation for the year	24,641	-	344	24,985
Disposals	(97,140)	(1,200)	(235,567)	(333,907)
At March 31, 2023 and March 31, 2024	-	-	-	-
Carrying amount:				
At March 31, 2024 and March 31, 2024	-	-	-	-

9 TRADE AND OTHER PAYABLES

	2024	2023
	$	$
Trade creditors due to:		
Third parties	-	332
Loan from immediate holding company (Note 5)	-	1,000,000
Loan from a related company (Note 5)	3,678,644	4,446,385
Advances from a related company (Note 5)	14,078,203	12,992,175
Other payables due to:		
Immediate holding company (Note 5)	-	4,247
Related companies (Note 5)	1,334	1,371
Accruals	12,500	34,690
Output tax	-	-
	17,770,681	18,479,200

The average credit period on rendering of freight services is 30 days. No interest is charged on the trade payables.

Advances from a related company are unsecured, interest-free and repayable on demand.

Trade creditors and accruals principally comprise amounts outstanding for rendering of freight services and ongoing costs.

Loans from immediate holding company and loan from a related company are unsecured, bears fixed interest rate of 5 % per annum (2023 : 5%) respectively and repayable on demand.

Reconciliation of liabilities arising from financing activities

The table below details changes in the company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the statement of cash flows as cash flows from financing activities.

	April 1, 2023	Financing cash flow (i)	Others (ii)	March 31, 2024
	$	$	$	$
Loan from immediate holding company	1,000,000	(1,000,000)	-	-
Loan from a related company	4,446,385	(500,000)	(267,741)	3,678,644
Advances from a related company	12,992,175	1,050,000	36,028	14,078,203
	18,438,560	(450,000)	(231,712)	17,756,848

	April 1, 2022	Financing cash flow (i)	Others (ii)	March 31, 2023
	$	$	$	$
Loan from immediate holding company	1,000,000	-	-	1,000,000
Loan from a related company	4,446,385	-	-	4,446,385
Advances from a related company	12,965,893	26,282	-	12,992,175
	18,412,278	26,282	-	18,438,560

(i) The cash flow refers to principal repayment of loan/advances from immediate holding company and related company in the statement of cash flows.

(ii) Others refers to related company balances were netted off between payables and receivables.

10 SHARE CAPITAL

	2024	2023	2024	2023
	Number of ordinary shares		$	$
Issued and fully paid:				
At beginning and end of year	100	100	100	100

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends.

11 OTHER OPERATING INCOME

	2024	2023
	$	$
Management fees income:		
Third parties	-	-
Interest income from related company (Note 5)	15,608	45,978
Others	-	29,903
Net foreign exchange gains	-	204,175
Reversal of credit loss allowance recognised in profit or loss	845,342	-
	860,950	280,056

12 OTHER OPERATING EXPENSES

	2024	2023
	$	$
Legal and professional fees	(10,071)	27,045
Net foreign exchange losses	174,607	-
Computer/IT expenses	(345)	-
Loss allowance for impaired trade receivables	93,129	74,740
Others	(3,775)	1,055
	253,545	102,840

13 FINANCE COSTS

	2024	2023
	$	$
Interest expense to related companies	194,958	222,240
Interest expense to immediate holding company	33,013	50,000
	227,971	272,240

14 INCOME TAX EXPENSE

Domestic income tax is calculated at 17% (2023 : 17%) of the estimated assessable income for the year.

The total credit for the year can be reconciled to the accounting profit (loss) as follows:

	2024	2023
	$	$
Profit (Loss) before tax	379,433	(120,009)
Tax at the statutory income tax rate of 17%	64,504	(20,401)
Non-deductible item	82,124	65,290
Non-taxable item	(143,708)	-
Deferred tax not recognised	-	4,247
Utilisation of tax losses not recognised previously	(2,920)	(49,136)
	-	-

As at March 31, 2024, the company had unutilised tax losses and other temporary difference totalling $15,292,816 (2023 : $15,309,990). Deferred tax assets were not recognised in view that there is uncertainty on future taxable profits available to utilise this tax benefit.

TVS SCS Logistics (Thailand) Limited

FY 2023-24

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of
TVS SCS Logistics (Thailand) Limited

Opinion

I have audited the financial statements of TVS SCS Logistics (Thailand) Limited (the Company), which comprise the statement of financial position as at March 31, 2024, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of TVS SCS Logistics (Thailand) Limited as at March 31, 2024, its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further describe in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Significant Uncertainties Related to Going concern

I draw our attention to Note 2 in the note to financial statements. As at March 31, 2024, the Company has total deficit amounting to Baht 77.88 million. The event or situation above as well as other matter as described in Note 2 present significant uncertainties which may cast significant doubt about the Company's ability to continue as a going concern. Nevertheless. My opinion has not changed on this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Methavee Chanasongkram.

(Miss Methavee Chanasongkram)
Certified Public Accountant
Registration No. 12784

Dharmniti Auditing Company Limited
Bangkok, Thailand
June 14 , 2024

TVS SCS LOGISTICS (THAILAND) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024

ASSETS

	Note	Baht 2024	Baht 2023
Current assets			
Cash and cash equivalents	6	27,161,363.60	56,438,707.27
Trade and other receivables	5, 7	32,183,651.39	40,060,878.28
Short - term loan to related parties	5, 8	10,000,000.00	-
Other current assets		1,899,617.47	3,248,090.41
Total current assets		71,244,632.46	99,747,675.96
Non-current assets			
Equipment	9	94,668.56	22,045.05
Right-of-use assets	10	1,317,091.26	2,438,550.26
Intangible assets	11	71,406.50	80,406.30
Deferred tax asset	12	666,763.60	199,023.80
Withholding tax at source		1,397,319.54	3,142,419.25
Other non-current assets		506,010.00	506,510.00
Total non-current assets		4,053,259.46	6,388,954.66
TOTAL ASSETS		75,297,891.92	106,136,630.62

Notes to the financial statements form an integral part of the financial statements.

TVS SCS LOGISTICS (THAILAND) LIMITED

STATEMENT OF FINANCIAL POSITION (Cont.)

AS AT MARCH 31, 2024

LIABILITIES AND SHAREHOLDERS' EQUITY

	Note	Baht 2024	2023
Current liabilities			
Trade and other payable	5, 13	139,492,830.58	145,657,271.99
Current portion of lease liabilities	14	1,066,947.00	1,096,640.00
Short-term loan from related parties	5, 15	-	11,494,854.78
Other current liabilities		935,176.49	893,546.80
Total current liabilities		141,494,954.07	159,142,313.57
Non - current liabilities			
Lease liabilities	14	335,677.00	1,402,624.00
Provisions for employee benefit	16	3,639,048.00	1,300,349.00
Total non-current liabilities		3,974,725.00	2,702,973.00
TOTAL LIABILITIES		145,469,679.07	161,845,286.57

Notes to the financial statements form an integral part of the financial statements.

TVS SCS LOGISTICS (THAILAND) LIMITED

STATEMENT OF FINANCIAL POSITION (Cont.)

AS AT MARCH 31, 2024

LIABILITIES AND SHAREHOLDERS' EQUITY (Cont.)

		Baht	
	Note	2024	2023
Shareholders' equity			
Share capital			
Authorized, share capital			
520,410 preference shares of Baht 10 each	18	5,204,100.00	5,204,100.00
500,000 ordinary shares of Baht 10 each		5,000,000.00	5,000,000.00
		10,204,100.00	10,204,100.00
Issued and paid-up share capital			
520,410 preference shares of Baht 10 each	18	5,204,100.00	5,204,100.00
500,000 ordinary shares of Baht 5 each		2,500,000.00	2,500,000.00
		7,704,100.00	7,704,100.00
Retained earnings (deficit)			
Unappropriated		(77,875,887.15)	(63,412,755.95)
TOTAL SHAREHOLDERS' EQUITY		(70,171,787.15)	(55,708,655.95)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		75,297,891.92	106,136,630.62

Notes to the financial statements form an integral part of the financial statements.

TVS SCS LOGISTICS (THAILAND) LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED MARCH 31, 2024

	Note	Baht	
		2024	2023
Revenues			
Services income	5	135,662,925.82	155,785,084.83
Other income	5	16,492.39	866,816.22
Total revenues		135,679,418.21	156,651,901.05
Expenses			
Cost of services	5	104,186,261.98	131,496,233.89
Administrative expenses	5	45,012,330.16	38,178,342.32
Finance cost	5	367,936.07	735,656.59
Total expenses		149,566,528.21	170,410,232.80
Loss before income tax expenses (tax income)		(13,887,110.00)	(13,758,331.75)
Income tax expenses (tax income)	20	(258,987.60)	-
Loss for the year		(13,628,122.40)	(13,758,331.75)
Other comprehensive income (loss)			
Items that will not be reclassified to profit or loss			
Actuarial loss on defined employee benefit plans	16	(1,043,761.00)	-
Income tax relating to items that will not be reclassified			
To profit or loss	12	208,752.20	-
Other comprehensive income (loss) for the year - net of tax		(835,008.80)	-
Total comprehensive loss for the year		(14,463,131.20)	(13,758,331.75)
Basic loss per share	21		
Loss for the year		(27.26)	(27.52)

Notes to the financial statements form an integral part of the financial statements.

TVS SCS LOGISTICS (THAILAND) LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

		Baht			
		Paid - up Share Capital		Retained earnings	Total
		Preference	Ordinary	(Deficit)	
	Note	Shares	Shares		
Balance as at March 31, 2022		5,204,100.00	2,500,000.00	(49,654,424.20)	(41,950,324.20)
Total comprehensive income for the year					
Loss for the year		-	-	(13,758,331.75)	(13,758,331.75)
Balance as at March 31, 2023		5,204,100.00	2,500,000.00	(63,412,755.95)	(55,708,655.95)
Total comprehensive income for the year					
Loss for the year		-	-	(13,682,122.40)	(13,682,122.40)
Other comprehensive income (loss) net of tax					
Actuarial loss on defined employee					
benefit plans	16	-	-	(835,008.80)	(835,008.80)
Balance as at March 31, 2024		5,204,100.00	2,500,000.00	(77,875,887.15)	(70,171,787.15)

Notes to the financial statements form an integral part of the financial statements.

TVS SCS LOGISTICS (THAILAND) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

	Baht	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax expense for the year	(13,887,110.00)	(13,758,331.75)
Adjustment to reconcile profit (loss) for the year to net cash provided		
by (used in) operating activities:		
Depreciation and amortization	1,149,843.01	1,073,309.32
Expected credit losses (reversal)	-	65,214.11
Write off of withholding tax	2,105,651.40	1,010,502.36
Loss on unrealized currency exchange	(1,238,776.50)	2,962,161.96
Gain from lease termination	(1,858.00)	-
Interest income	(6,415.21)	(6,097.47)
Expense for provision for employee benefit	1,972,877.00	305,230.00
Interest expense	367,936.07	735,656.59
Gain from operating activities before changes in		
operating assets and liabilities	(9,537,852.23)	(7,612,354.88)
(Increase) decrease in operating assets		
Trade and other receivables	7,722,375.85	7,323,792.71
Other current assets	1,348,472.94	(170,008.44)
Other non-current assets	500.00	(24,240.00)
Increase (decrease) in operating liabilities		
Trade and other payables	1,154,095.64	31,829,424.76
Provisions for employee benefit	-	-
Cash paid for employee benefit obligations	(677,939.00)	-
Other current liabilities	41,629.69	38,136.72
Cash received (paid) from operations	51,282.89	31,384,750.87
Cash received from withholding tax refund	1,036,767.85	-
Cash paid for income tax expense	(1,397,319.54)	(832,751.54)
Net cash provided by (used in) operating activities	(309,268.80)	30,551,999.33

Notes to the financial statements form an integral part of the financial statements.

TVS SCS LOGISTICS (THAILAND) LIMITED

STATEMENT OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED MARCH 31, 2024

	Baht	
	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for short-term loans to related companies	(10,000,000.00)	(1,036,000.00)
Cash received from short-term loans to related companies	-	2,794,555.00
Cash paid for purchase of fixed assets	(92,009.72)	-
Cash received from sale of fixed assets	1,860.00	-
Cash received from interest income	6,415.21	6,097.47
Net cash provided by (used in) investing activities	(10,083,734.51)	1,764,652.47
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received for short-term loans from related companies	9,000,000.00	-
Cash paid from short-term loans from related companies	(20,524,831.86)	-
Cash paid for liabilities under lease agreements	(1,096,640.00)	(963,263.65)
Cash paid for interest expense	(6,262,868.50)	(37,020.76)
Net cash used in financing activities	(18,884,340.36)	(1,000,284.41)
Net increase (decrease) in cash and cash equivalents	(29,277,343.67)	31,316,367.39
Cash and cash equivalents - beginning of year	56,438,707.27	25,122,339.88
Cash and cash equivalents - ending of year	27,161,363.60	56,438,707.27

ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS

Non-cash flows items:		
- Increase in leases liabilities	-	2,756,559.00

Notes to the financial statements form an integral part of the financial statements.

TVS SCS LOGISTICS (THAILAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

1. GENERAL INFORMATION

(a) Legal status and address

TVS SCS Logistics (Thailand) Limited The Company was registered to be a limited Company with the Ministry of Commerce on March 11, 2004.

The address of its registered office is as follows:

Head office : 65, 42 Tower, M Floor, Room No. M1-M2, Soi Sukhumvit 42 (Kluaynamthai), Sukhumvit Road, Prakanong, Klongtoey, Bangkok.

Branch 1 : 999, Moo 7, AO3 Floor 4, Room No. 30, Tambol Rachathewa, Amphur Bangplee, Samutprakarn.

(b) Nature of the Company's business

Main business activities of the Company is freight forwarding services.

(c) Major shareholder companies

Its major shareholders are TVS SCS Singapore Company Limited, a company incorporated in Singapore (holding 49%) and TVS Supply Chain Solutions (Thailand) Limited (holding 51%).

2. RESULT OF OPERATION

As at March 31, 2024 and 2023, the Company had deficit of Baht 77.88 million and Baht 63.41 million, respectively, and current liabilities higher than current assets of Baht 70.25 million and 59.39 million, respectively, The Company’s ability for repayment to liabilities depends on opportunity to seek for the financial support and support assistance from parent company and management’s ability of the Company is now to solve its operation. These factors indicate the existence of material uncertainties which cast significant doubt over the Company’s ability to operate and continue as a going concern. These financial statements have been prepared in accordance with the financial reporting standards for Publicly Accountable Entities and on the assumption that the Company will continue as a going concern. Accordingly, they do not include any adjustments relating to the recoverability of the carrying value of assets or the amount and reclassification of liabilities that might be necessary should the Company be unable to continue as a going concern.

3. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

3.1 Basis for preparation of financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the financial reporting standards for Publicly Accountable Entities. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

3.2 Financial reporting standards that became effective in the current period

During the year, the Company has adopted the revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2023. This revision is for the financial reporting standards to be clearer and more appropriate and to conform with international financial reporting standards. Such revision does not affect the principles of the standards and does not affect the users of the financial reporting standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current year.

3.3 Revised financial reporting standards to be applied in the future

The Federation of Accounting Professions has announced to apply the revised financial reporting standards 2023 and it was announced in the Royal Gazette on August 8, 2023 on altogether 4 topics: definition of the accounting estimates, disclosure of information of the accounting policy, deferred income tax related to assets and liabilities arising from one transaction and other adjustments due to the change of the Accounting Standard No. 17 “Insurance Contracts”. This adjustment is an adjustment for the financial reporting standards to be clearer and more appropriate. This is effective for the financial statements for the accounting period beginning on or after January 1, 2024.

The Management of the Company has assessed and believed that this revision will not significantly affect the financial statements in the year that such standard is applied.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenues and expenses recognition

The Company recognizes agency commission and other service income excluding value added tax, when the services have already been rendered.

The Company recognizes other income and expenses on the accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at bank, and all highly liquid investment with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable, other receivable and allowance for expected credit losses.

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at its present value.

Trade receivables are stated at the amount expected to be collectible, the Company apply the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables, and accordingly adjusts the historical loss rates based on expected changes in these factors. The impairment losses are recognized in profit or loss within administrative expenses.

4.4 Equipment

Equipment is stated at cost less accumulated depreciation and impairment loss (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company (if any).

Allowance for impairment loss of assets will be made when there is any event or circumstance indicating that the recoverable values of these assets are less than their carrying values.

Expenditure incurred in addition, renewal or betterment are recorded add in involve fixed asset, if it is certainly probable the future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Repair and maintenance costs are recognized as an expense when incurred.

Depreciation is calculated by cost less residual value on the straight-line basis over the estimated useful lives of the assets as follows:

	Years
Office equipment	3 - 5
Furniture and fixtures	5
Vehicle	5

The Company has reviewed the residual value and useful life of the assets every year.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

No depreciation is provided on construction in progress and equipment under installation.

Equipment are written off at disposal. Gain or losses arising from sale or write - off of assets are recognized in the statement of comprehensive income.

4.5 Intangible assets

Intangible assets is presented at cost less accumulated amortization and allowance for impairment (if any).

Amortization is calculated by the straight-line method, based on useful lives of the assets of 5 years.

4.6 Impairment of non - financial assets

As at the statement of financial position date, the Company assesses whether there is an indication of asset impairment. If any such indication exists, the Company and its subsidiaries will make an estimate of the asset's recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of comprehensive income. In addition, impairment loss is reversed if there is a subsequent increase in the recoverable amount. The reversal shall not exceed the carrying value that would have been determined net of accumulated depreciation or amortization. The recoverable amount of the asset is the asset's value in use or fair value less costs to sell.

4.7 Leases

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Right-of-use assets - as a lessee

Right-of-use assets are recognized at the commencement date of the lease. Right-of-use assets are stated at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of the lease term and the estimated useful lives for each of right-of-use assets.

Lease liabilities

At the commencement date of the lease, lease liabilities are measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and leases of low-value assets

Leased that have a lease term of 12 months or less from the commencement date and not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

4.8 Trade accounts payable and others payable

Trade and other accounts payable (including balances with related parties) are stated at cost.

4.9 Provisions

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

4.10 Financial instruments

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss. The classification of financial assets at initial recognition is driven by the Company business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Equity instruments can be classified and cannot be changed by two types of measurement which are measuring fair value through profit or loss or measuring fair value through other comprehensive income that without recycling to profit or loss.

The initial recognition of financial assets that are not measured at fair value through profit or loss with fair value plus or deduct transaction cost directly related to the acquisition or issuance. Financial assets that are measured at fair value through profit or loss, transaction costs are recognized as expense in profit or loss.

Subsequent measurement of debt instruments by 3 methods depend on the classification of debt instruments.

- Financial assets measured at amortized cost when financial assets are held to receive cash flow under the agreement and condition of the agreement of the financial assets that generate cash flow to pay the principal and interest from the principal balance on the specified date only. Such financial assets have to be calculated using the effective rate and are subject to impairment assessment. Profit or loss arising from derecognized, modified or impaired will be recognized in profit or loss.
- Financial assets measured at fair value through other comprehensive income when financial assets are held to receive cash flow under the agreement and to sell financial assets and the agreement condition of financial assets generating cash flow that only pays the principal and interest from the principal balance on the specified date. The change of value of financial assets is recognized through other comprehensive income except loss on impairment and interest income and gain and loss on exchange rate are recognized as profit or loss upon recognized of financial assets. Earning or deficit previously recognized in other comprehensive income has to be reclassified into profit or loss. Such financial asset has to be calculated using the effective interest rate same as financial assets measured at amortized cost.
- Financial assets measured at fair value through profit or loss when financial assets that do not meet the criteria for amortized cost or financial assets measured at fair value through other comprehensive income will be presented in the statement of financial position at fair value by recognizing the net change of fair value in profit or loss.

Subsequent valuation of equity instruments must present equity instruments using the fair value and record profit/loss from change in fair value through profit or loss or other comprehensive income depending on equity instruments classification.

Classification and valuation of financial liabilities

The Company are recognized initially of financial liabilities at fair value net of transaction costs and classified as financial liabilities as financial liabilities subsequently measured at amortized cost using the effective rate. The amortized cost is calculated taking into account fees or costs that are an integral part of the effective rate. Amortization by the effective rate is presented as part of financial costs in profit or loss.

Derecognition of financial instruments

Financial assets will be derecognized from the account when the right to receive cash flow of such asset has ended or when the right to receive cash flow of the assets is transferred including upon the transfer of all risk and consideration of that asset or transfer of internal control in that asset although there is no transfer or maintaining of nearly all risk and consideration of such asset.

Financial liabilities will be derecognized from the account when the obligation of such liabilities has been complied, the obligation is cancelled or the obligation has ended. In case existing financial liabilities are changed to new liabilities from one single lender with considerably different requirements or there is a significant amendment in the requirements of existing liabilities, these are considered as recognition old liabilities and recognizing new liabilities by recognizing the difference of such carrying value under profit or loss.

Impairment of financial assets

Expected credit loss for financial assets measured at amortized cost or debt instrument financial asset measured at fair value through other comprehensive income and assets arising from credit facility obligation and financial guarantee agreement are assessed without having to wait for the credit event to occur first. The Company use the general approach in considering the allowance for loss on impairment. For trade receivables, the Company apply a simplified approach in calculating ECLs. The Company recognize a loss based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

Offset of financial instruments

Financial assets and liabilities will be offset and presented at net balance in the statement of financial position in the case legally enforced in offsetting the recognized amount. The Company intend to pay the net balance or intends to receive assets and settle payment of liabilities at the same time.

4.11 Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates would affect to the amount relating to incomes, expenses, assets, liabilities and disclosures of data relating to contingent assets and liabilities. The actual results may differ from amounts already estimated. Significant judgments and estimates are as follows:

4.11.1 Allowance for expected credit losses of trade receivables

In determining an allowance for credit losses of trade receivables, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the financial position of each client.

4.11.2 Determining the lease term of contracts with renewal and termination options

The Company and its subsidiaries determine the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Company and its subsidiaries reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

4.11.3 Depreciation of equipment and right-of-use assets and amortization of intangible asset

In determining depreciation of equipment and right-of-use assets and amortization of intangible asset, the management is required to make estimates of the useful lives and residual values and to review estimate useful lives and residual values when there are any changes incurred to it.

In addition, the management is required to review equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

4.11.4 Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits.

4.11.5 Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

4.12 Employee benefits

Short-term employment benefits

The Company recognizes salary, wage, bonus and contributions to social security fund and provident fund as expenses when incurred.

Post-employment benefits (Defined contribution plans)

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognized as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Company have obligations in respect of the severance payments that it must pay to the employees upon retirement under the Company's article and the labor law and other employee benefit plans. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees will be recognized immediately in other comprehensive income as a part of retained earning.

4.13 Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Company records income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates 20% of net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill; 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; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future

Deferred tax assets and liabilities are measured at the tax rates that the Company and its subsidiaries expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

4.14 Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.15 Foreign currency transactions

Transactions in foreign currencies are recorded at the rates prevailing at the transactions date. Assets and liabilities denominated in foreign currencies, at the end of the year are translated into Baht at the rates exchange of at the statement of financial reporting date. Gains or losses from translation are charged to current year operations.

4.16 Basic earnings (loss) per share

Basis earnings (loss) per share is determined by dividing profit (loss) for the year by the weighted average number of ordinary shares held by outsiders and outstanding during the year.

5. RELATED PARTIES TRANSACTION

Such transactions comply with commercial terms and based on the agreed upon between the Company and related parties as an ordinary course of business.

The nature of relationship with related parties can be summarized as follows:

Name of related parties	Nature of relationship
Related companies	
TVS SCS Singapore Pte. Ltd.	Shareholder and co-directors
PT TVS SCS Indonesia	Shareholder and co-directors
TVS SCS Malaysia Ltd.	Shareholder and co-directors
TVS SCS Logistics Ltd.	Shareholder and co-directors
TVS SCS Vietnam Co., Ltd.	Shareholder and co-directors
TVS SCS (Korea) Ltd.	Shareholder and co-directors
TVS SCS Taiwan Ltd.	Shareholder and co-directors
TVS SCS International Pte. Ltd.	Shareholder and co-directors
TVS SCS Deutschland GmbH - Frankfurt	Shareholder and co-directors
TVS SCS Logistics Ltd - Beijing	Shareholder and co-directors
TVS SCS Hong Kong Ltd.	Shareholder and co-directors
TVS SCS Logistics Management Co., Ltd.	Shareholder and co-directors
TVS SCS International Freight (Thailand) Co., Ltd.	Shareholder and co-directors
Transtar International Freight Co., Ltd. - Shanghai	Shareholder and co-directors
TVS SCS (Australia) Pty. Ltd.	Shareholder and co-directors
TVS Supply Chain Solutions (Thailand) Ltd.	Shareholder and co-directors
TVS SCS Global Freight Solutions Ltd.	Shareholder and co-directors

Name of related parties	Nature of relationship
TVS Supply Chain Solutions Pte. Ltd.	Shareholder and co-directors
TVS SCS International Freight (Spain), S.L.U.	Shareholder and co-directors
TVS SCS Deutschland GmbH - Nuremberg	Shareholder and co-directors
TVS SCS New Zealand Limited	Shareholder and co-directors
TVS SCS Rico Italia SRL	Shareholder and co-directors
TVS SCS Deutschland GmbH - Hamburg	Shareholder and co-directors

The Company has the policy in pricing for transaction with related parties as follows:

Transactions	Pricing policies
- Freight revenue	- As agreed in the contract
- Handling charges revenue	- As agreed in the contract
- Miscellaneous revenue	- As agreed in the contract
- Interest income	- 3.00% per annum
- Freight cost	- As agreed in the contract
- Handing charges cost	- As agreed in the contract
- Miscellaneous cost	- As agreed in the contract
- Interest expense	- 5.00% - 6.45% per annum

Transaction during the year with related parties for the year ended March 31, 2024 and 2023 were as follow:

	Baht	
	2024	2023
Service income	19,010,905.35	6,840,864.49
Cost of services	49,939,408.14	85,638,392.09
Interest income	8,219.18	-
Interest expense	233,286.07	573,167.87

Balance with the related parties as at March 31, 2024 and 2023 consisted of:

	Baht	
	2024	2023
Account receivables		
TVS SCS Singapore Pte. Ltd.	125,605.91	15,555.57
PT TVS SCS Indonesia	20,145.56	76,034.66
TVS SCS Vietnam Co., Ltd. - Ho Chi Minh	-	1,527.05
TVS SCS Logistics Co., Ltd.	5,807.73	-
TVS SCS International Freight (Thailand) Co., Ltd.	-	816,742.23
TVS SCS International Freight (Spain), S.L.U.	-	50,732.08
TVS SCS Deutschland GmbH - Frankfurt	-	10,413.01
TVS SCS Deutschland GmbH - Nuremberg	4,969.40	24,527.15
TVS SCS New Zealand Limited	582,964.49	64,501.34
TVS SCS (Australia) Pty. Ltd.	133,142.16	162,541.85
TVS SCS Global Freight Solutions Ltd.	97,758.58	294,470.36
TVS SCS Logistics Ltd - Beijing	25,050.18	-
	995,444.01	1,517,045.30
Other receivables		
TVS SCS Logistics Management Co., Ltd.	8,219.18	-
TVS SCS Singapore Pte. Ltd.	7,259,278.87	-
	7,267,498.05	-
Short-term loans to		
TVS SCS Logistics Management Co., Ltd.	10,000,000.00	-
Account payables		
TVS SCS Singapore Pte. Ltd.	134,560,028.22	132,883,496.93
PT TVS SCS Indonesia	-	24,258.27
TVS SCS Malaysia Ltd.	1,533.77	4,523.76
TVS SCS Logistics Ltd.	11,722.18	-
TVS SCS Vietnam Co., Ltd.		
Hanoi	22,257.48	16,429.16
Ho Chi Minh	33,957.68	-

	Baht	
	2024	2023
TVS SCS Taiwan Ltd.	(2,197.91)	16,146.14
TVS SCS Logistics Ltd - Beijing	11,826.67	-
TVS SCS (Korea) Ltd.	35,409.76	7,143.86
TVS SCS Deutschland GmbH - Frankfurt	492,623.15	364,430.55
TVS SCS Deutschland GmbH - Nuremberg	2,929,828.54	4,046,841.42
TVS SCS Deutschland GmbH - Hamburg	337,667.30	-
TVS SCS Global Freight Solution Ltd.	349,387.15	417,180.65
TVS SCS Rico Italia SRL	9,713.91	11,624.82
TVS SCS New Zealand Limited	-	30,507.54
TVS SCS Logistics Management Co., Ltd.	64,374.87	77,422.44
TVS SCS International Freight (Thailand) Co., Ltd.	-	(40,020.93)
TVS SCS International Freight (Spain), S.L.U.	157,757.41	(37,660.40)
TVS Supply Chain Solutions Pte. Ltd.	(4,049,263.53)	(4,362,819.30)
	134,966,626.65	133,459,504.91
Other payables		
TVS SCS Singapore Pte. Ltd.	231,137.11	-
Short-term loans from		
TVS SCS Singapore Pte. Ltd.	-	11,494,854.78
Accrued interest expenses		
TVS SCS Singapore Pte. Ltd.	-	5,894,932.43

6. CASH AND CASH EQUIVALENTS

Consisted :-

	Baht	
	2024	2023
Cash on hand	18,089.99	18,862.37
Deposits at bank		
Deposits at bank - current accounts	15,172,790.37	29,507,887.97
Deposits at bank - saving accounts	11,970,483.24	26,911,956.93
Total	27,161,363.60	56,438,707.27

Savings accounts bear interest at floating interest rates which are set by banks.

7. TRADE AND OTHER RECEIVABLES

Consisted:-

	Baht	
	2024	2023
Trade account receivables		
Other companies	23,921,309.20	38,477,742.35
Related companies	995,444.01	1,517,045.30
Total	24,916,753.21	39,994,787.65
Less Allowance for expected credit losses	(102,705.47)	(102,705.47)
Net	24,814,047.74	39,892,082.18
Other receivables		
Related companies	7,259,278.87	-
Accrued interest income	8,219.18	-
Prepaid expenses	102,105.60	168,796.10
Total	7,369,603.65	168,796.10
Trade and other receivables	32,183,651.39	40,060,878.28

Trade receivables classified by their ages are consisted:-

	Baht	
	2024	2023
Within due period	20,367,629.14	31,150,020.16
Less than and up to 3 months	4,237,079.69	6,735,538.35
Over 3 months up to 6 months	169,069.03	1,144,024.05
Over 6 months up to 12 months	57,316.57	114,618.02
Over more than 12 months	85,658.78	850,587.07
Total	24,916,753.21	39,994,787.65

8. SHORT-TERM LOAN TO RELATED PARTIES

Movement of short-term loan to related parties for the years ended March 31, 2024 and 2023 were as follows :

	Baht			
	Book amount	Transaction during the year		Book amount
	Mar 31, 23	Addition	Deduction	Mar 31, 24
TVS SCS Logistics Management Co., Ltd.	-	10,000,000.00	-	10,000,000.00
	-	10,000,000.00	-	10,000,000.00

	Baht			
	Book amount	Transaction during the year		Book amount
	Mar 31, 22	Addition	Deduction	Mar 31, 23
TVS SCS International (Thailand) Freight Co., Ltd.	-	1,012,000.00	(1,012,000.00)	-
TVS Supply Chain Solutions (Thailand) Ltd.	1,758,555.00	12,000.00	(1,770,555.00)	-
TVS Supply Chain Solutions Holding (Thailand) Ltd.	-	12,000.00	(12,000.00)	-
	1,758,555.00	1,036,000.00	(2,794,555.00)	-

The company has provided loans to related companies with contract and due at call. The loan had no guarantee and interest is charged rate at 3.00% per annum.

9. EQUIPMENT

Consisted:-

	Baht			
	Balance as at	Transactions during the year		Balance as at
	Mar 31, 23	Increase	Decrease	Mar 31, 24
At Cost				
Office equipment	2,960,167.67	29,009.72	(54,100.00)	2,935,077.39
Furniture and fixtures	1,455,956.99	63,000.00	-	1,518,956.99
Total	4,416,124.66	92,009.72	(54,100.00)	4,454,034.38
Less Accumulated depreciation				
Office equipment	(2,941,341.85)	(10,384.38)	54,098.00	(2,897,628.23)
Furniture and fixtures	(1,452,737.76)	(8,999.83)	-	(1,461,737.59)
Total	(4,394,079.61)	(19,384.21)	54,098.00	(4,359,365.82)
Equipment - net	22,045.05			94,668.56

	Baht			
	Balance as at	Transactions during the year		Balance as at
	Mar 31, 22	Increase	Decrease	Mar 31, 23
At Cost				
Office equipment	2,960,167.67	-	-	2,960,167.67
Furniture and fixtures	1,455,956.99	-	-	1,455,956.99
Total	4,416,124.66	-	-	4,416,124.66
Less Accumulated depreciation				
Office equipment	(2,901,869.79)	(39,472.06)	-	(2,941,341.85)
Furniture and fixtures	(1,433,614.16)	(19,123.60)	-	(1,452,737.76)
Total	(4,335,483.95)	(58,595.66)	-	(4,394,079.61)
Equipment - net	80,640.71			22,045.05

	Baht	
	2024	2023
Depreciation for the year	19,384.21	58,595.66

As at March 31, 2024 and 2023 assets at cost totaling of Baht 4.20 million are fully depreciated, but these items are still in active use.

10. RIGHT-OF-USE ASSETS

10.1 Right-of-use assets consists of:

	Baht			
	Balance as at	Transaction during the year		Balance as at
	Mar 31, 23	Increase	Transfer-in (Transfer-out)	Mar 31, 24
Cost				
Building	3,250,103.00	-	-	3,250,103.00
Less Accumulated depreciation	(811,552.74)	(1,121,459.00)	-	(1,933,011.74)
Right-of-use assets - net	2,438,550.26			1,317,091.26

	Baht			
	Balance as at	Transaction during the year		Balance as at
	Mar 31, 22	Increase	Transfer-in (Transfer-out)	Mar 31, 23
Cost				
Building	2,237,811.00	2,756,559.00	(1,744,267.00)	3,250,103.00
Less Accumulated depreciation	(1,550,105.88)	(1,005,713.86)	1,744,267.00	(811,552.74)
Right-of-use assets - net	687,705.12			2,438,550.26

The Company lease asset including building of which lease term 3 years.

10.2 Amounts recognized in the statement of comprehensive income for the years ended March 31, 2024 and 2023 are comprise:

	Baht	
	2024	2023
Depreciation of right-of-use assets	1,121,459.00	1,005,713.86
Interest expense on lease liabilities	134,650.00	143,666.32
Leases of low - value assets	80,400.00	80,400.00
Total	1,366,509.00	1,229,780.18

For the years ended March 31, 2024 and 2023, the total cash outflow for lease on amount to Baht 1.10 million and Baht 0.96 million, respectively.

11. INTANGIBLE ASSETS

Consisted:-

	Baht			
	Balance as at	Transaction during the year		Balance as at
	Mar 31, 23	Increase	Decrease	Mar 31, 24
At cost				
Computer soft ware	889,387.76	-	-	889,387.76
Less Accumulated amortization	(808,981.46)	(8,999.80)	-	(817,981.26)
Computer software - net	80,406.30			71,406.50

	Baht			
	Balance as at	Transaction during the year		Balance as at
	Mar 31, 22	Increase	Decrease	Mar 31, 23
At cost				
Computer soft ware	889,387.76	-	-	889,387.76
Less Accumulated amortization	(799,981.66)	(8,999.80)	-	(808,981.46)
Computer software - net	89,406.10			80,406.30

	Baht	
	2024	2023
Amortization for the year	8,999.80	8,999.80

12. DEFERRED TAX ASSETS

Changes in deferred tax assets for the year ended March 31, 2024 and 2023 were summarized as follows:

	Baht			
	Balance as at	Income (expense) during the year		Balance as at
	Mar 31, 23	In profit or loss	In other comprehensive income	Mar 31, 24
Deferred tax assets :				
Provisions for employee benefit	199,023.80	258,987.60	208,752.20	666,763.60
Total	199,023.80	258,987.60	208,752.20	666,763.60

	Baht			
	Balance as at	Income (expense) during the year		Balance as at
	Mar 31, 22	In profit or loss	In other comprehensive income	Mar 31, 23
Deferred tax assets :				
Provisions for employee benefit	199,023.80	-	-	199,023.80
Total	199,023.80	-	-	199,023.80

13. TRADE AND OTHER PAYABLES

Consisted:-

	Baht	
	2024	2023
Trade account payables		
Other companies	3,997,701.62	4,492,999.40
Related companies	134,966,626.65	133,459,504.91
Total	138,964,328.27	137,952,504.31
Other payables		
Accrued expenses	528,502.31	1,809,835.25
Accrued interest expenses	-	5,894,932.43
Total	528,502.31	7,704,767.68
Trade and other payables	139,492,830.58	145,657,271.99

14. LIABILITIES UNDER LEASE AGREEMENTS

The carrying amounts of liabilities under leases agreements and the movement for the year ended March 31, 2024 and 2023 are presented below.

	Baht	
	2024	2023
Liabilities under lease agreements - beginning balance	2,499,264.00	705,968.65
Addition	-	2,756,559.00
Accretion of interest	134,650.00	143,666.32
Payments during the year	(1,231,290.00)	(1,106,929.97)
Liabilities under lease agreements - ending balance	1,402,624.00	2,499,264.00
Less: current portion	(1,066,947.00)	(1,096,640.00)
Lease liabilities - net of current portion	335,677.00	1,402,624.00

15. SHORT-TERM LOAN FROM RELATED PARTIES

Movement of short-term loan from related parties for the years ended March 31, 2024 and 2023 were as follows :

	Baht				
	Book amount	Transaction during the year		(Gain) loss from	Book amount
	Mar 31, 23	Addition	Deduction	Exchange rate	Mar 31, 24
TVS SCS Singapore Pte. Ltd.	11,494,854.78	-	(11,524,831.86)	29,977.08	-
TVS SCS International Freight (Thailand) Co., Ltd.	-	9,000,000.00	(9,000,000.00)	-	-
	11,494,854.78	9,000,000.00	(20,524,831.86)	29,977.08	-

	Baht				
	Book amount	Transaction during the year		(Gain) loss from	Book amount
	Mar 31, 23	Addition	Deduction	Exchange rate	Mar 31, 24
TVS SCS Singapore Pte. Ltd.	11,223,847.67	-	-	271,007.11	11,494,854.78
	11,223,847.67	-	-	271,007.11	11,494,854.78

As at March 31, 2024 and 2023, the Company has entered into loans agreements from related companies denominated in US Dollar amounting to USD 335,487.88 for use as working capital. Such loans having interest rate at 5.00% - 6.45% and 5.00% per annum, whereby it is committed to pay interest on an annual basis and the loan amount shall be paid on termination of the agreement. The term of the agreements are generally 1 year automatically renewable for successive periods of 1 year each unless cancelled by either party. In 2024, the Company has fully repaid.

16. PROVISIONS FOR EMPLOYEE BENEFIT

The statements of financial position, were as follow :

	Baht	
	2024	2023
Provisions for employee benefit as at beginning balance	1,300,349.00	995,119.00
Benefit paid by the plan	(677,939.00)	-
Current service costs and interest	1,972,877.00	305,230.00
Actuarial loss on define employee benefit plans	1,043,761.00	-
Provisions for employee benefit as at ending balance	3,639,048.00	1,300,349.00

Expense recognized in the statements of comprehensive income, were as follow :

	Baht	
	2024	2023
Current service costs		
Administrative expenses	1,916,209.00	291,626.00
Interest on obligation	56,668.00	13,604.00
Total	1,972,877.00	305,230.00

Principal actuarial assumptions in the estimates based on the actuarial principles

For the year ended March 31, 2024 and 2023.

	Percentage	
	2024	2023
Discount rate	2.52	1.40
Salary increase rate	4.90	4.00
Employee turnover rate	0.00 - 21.00	0.00 - 24.00
Disability rate	5.00 of mortality rate table 2018	5.00 of mortality rate table 2018
Mortality rate	Thai mortality table 2018	Thai mortality table 2018

Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at March 31, 2024 and 2023 are summarized below:

	Baht			
	2024		2023	
	increase	decrease	increase	decrease
Discount rate (1% movement)	(222,411.00)	246,009.00	(114,210.00)	166,171.00
Salary increase rate (1% movement)	253,377.00	(233,667.00)	194,451.00	(169,025.00)
Turnover rate (1% movement)	(236,002.00)	41,745.00	(154,508.00)	52,481.00

17. CAPITAL MANAGEMENT

The primary objective of capital management of the Company is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern. According to the statement of financial position as at March 31, 2024 the Company's debt-to-equity ratio was (2.07) : 1 (as at March 31, 2023 was (2.91) : 1)

18. PREFERENCE SHARES

Preferred shares have preferential right as follows :-

1) The preferred shareholders are entitled to a dividend at the rate of Baht 50,000 per year on all shares held by them. Calculated as the ratio of the value of the paid up shares to be paid at the time the dividend is declared. The right to receive dividends at a rate that does not accumulate. But they shall entitle to receive dividends at such mentioned rate only for the year that its profit is sufficient to allocate only. They have the right to receive dividends at a rate such that a profit sufficient to allocate only.
2) The preferred shareholders have the right to vote 1 vote per 25 preferred shares held and the holders of ordinary shares with voting rights to 1 vote per 1 share held.
3) When the dissolution or liquidation is made the preferred shareholders entitled to receive a refund in the amount of capital has been paid by preferred shareholders only. By receiving prior to an allocation the net assets of the Company to the holders of ordinary shares.

19. OPERATING SEGMENT

The Company operates in one main reportable operating segment that is to manufacture metal mold in only one geographical area: Thailand. The operating segment's performance is regularly reviewed by the chief operating decision maker who is the Executive Directors in order to make decisions about the allocation of resources to the segment and assess its performance. The Company assesses the performance of the operating segment by using the operating profit or loss as the basis consistent with that used to assess operating profit or loss in the financial statements. Therefore, all revenues, operating profits and assets as reflected in the financial statements are the reporting of the reportable operating segment.

The Company's revenue from services from their major customers for the year ended March 31, 2024 and 2023 were summarized as follows:

	Baht	
Type of customers	2024	2023
- Local	112,786,304.72	118,435,617.14
- Oversea	22,876,621.10	37,349,467.69
	135,662,925.82	155,785,084.83

Major customer

Revenues from the major customer of the Company represent approximately for the year ended March 31, 2024 Baht 86.47 million (for the year ended March 31, 2023 Baht 86.69 million) of the Company's total revenues.

20. TAX EXPENSE (INCOME)

20.1 Major component of tax expense (income) for the year ended March 31, 2024 and 2023 consisted of:

	Baht	
	2024	2023
Income tax expense (income) shown in profit or loss :		
Current tax expense:		
Income tax expense for the year	-	-
Deferred tax expense (income):		
Changes in temporary differences relating to the original recognition and reversal	(258,987.60)	-
Total	(258,987.60)	-

	Baht	
	2024	2023
Income tax relating to components of other comprehensive income:		
Deferred tax relation to:		
Actuarial loss on defined benefit plans	(208,752.20)	-
Total	(208,752.20)	-

20.2 A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate for the year ended March 31, 2024 and 2023 which were summarized as follows:

	Baht	
	2024	2023
Accounting loss for the year	(13,887,110.00)	(13,758,331.75)
The applicable tax rate (%)	20	20
Tax expense (income) at the applicable tax rate	(2,777,422.00)	(2,751,666.35)
Reconciliation items:		
Tax effect of expenses that are not deductible in determining tax profit:		
- Expenses not allowed as expenses in determining taxable profit	793,052.96	48,463.18
Uunrecognized tax losses on deferred tax assets	1,725,381.44	2,703,203.17
Total reconciliation items	2,518,434.40	2,751,666.35
Total tax expense (income)	(258,987.60)	-

As at March 31, 2024 and 2023, the Company had an accumulated loss (in tax) that was still unused of approximately Baht 79.24 million and 42.98 million, respectively. The Company above did not record deferred tax assets from such loss because there was an uncertainty whether the subsidiary would have enough profit to utilize the benefits from deferred tax assets or not.

20.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate for the year ended March 31, 2024 and 2023 were summarized as follows:

	2024		2023	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting loss before tax expense for the year	(13,887,110.00)		(13,758,331.75)	
Tax expense (income) at the applicable tax rate	(2,777,422.00)	20.00	(2,751,666.35)	20.00
Reconciliation items	2,518,434.40	(18.13)	2,751,666.35	(20.00)
Tax expense (income) at the average effective tax rate	(258,987.60)	(1.87)	-	-

21. BASIC LOSS PER SHARE

Basic loss per share is calculated by dividing the net loss for the period by the weighted average number of ordinary shares outstanding during the year.

	2024	2023
Net loss for the year (Baht)	(13,628,122.40)	(13,758,331.75)
Portion of preference shareholder (Baht)		-
Portion of ordinary shareholder (Baht)	(13,628,122.40)	(13,758,331.75)
Weighted average number of ordinary share	500,000	500,000
Basic loss per share (Baht per share)	(27.26)	(27.52)

22. EXPENSES BY NATURE

Significant expenses by nature for the year ended March 31, 2024 and 2023 are as follows:

	Baht	
	2024	2023
Freight cost	59,728,694.30	109,027,405.50
Handling charges cost	43,830,415.84	22,607,274.16
Management fee	4,836,210.97	8,381,131.05
Salary, wages and other employee benefits	19,303,306.58	16,629,145.87
Telephone and utilities	766,729.96	692,149.28
Office service fee	911,197.35	953,042.27
Depreciation and amortization	1,149,843.01	1,073,309.32

23. PROVIDENT FUND

The Company and its employees have jointly registered a provident fund scheme under the Provident Fund Act B.E. 2530. The Fund is contributed by both employees and the Company. The fund is managed by CIMB-Principle Management Co., Ltd. and will be paid to the employees upon termination in accordance with the rules of the Company staff provident fund. The Company's contribution to the fund for the year ended March 31, 2024 and 2023 amounted to Baht 0.23 million and Baht 0.28 million, respectively.

24. FINANCIAL INSTRUMENTS

24.1 Risk management

The Company manages their financial risk exposure on financial assets and financial liabilities in the normal business by its internal management and control system, The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

24.2 Interest rate risk

The Company is exposed to interest rate risk relates primarily to its cash at banks, short-term loan to related parties and short-term loan from related parties. However, most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market. However, the management believed that the future fluctuation on market interest rate would not provided significant effect to their operations and cash flows, therefore; no financial derivative was adopted to manage such risks.

As at March 31, 2024, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

	Baht				Effective
	Floating interest rate	Fixed interest rate	Interest - free	Total	interest rate per annum (%)
Financial assets					
Cash and cash equivalents	11,988,573.23	-	15,190,880.36	27,161,363.60	0.15
Trade and other accounts receivable	-	-	32,183,651.39	32,183,651.39	-
Short-term loan to related parties	-	10,000,000.00	-	10,000,000.00	3.00
Financial liabilities					
Trade and other accounts payable	-	-	139,492,830.58	139,492,830.58	-
Lease liabilities	-	1,402,624.00	-	1,402,624.00	7.00

As at March 31, 2023, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

	Baht				Effective
	Floating interest rate	Fixed interest rate	Interest - free	Total	interest rate per annum (%)
Financial assets					
Cash and cash equivalents	26,911,956.93	-	29,526,750.34	56,438,707.27	0.15
Trade and other accounts receivable	-	-	40,060,878.28	40,060,878.28	-
Financial liabilities					
Trade and other accounts payable	-	-	145,657,271.99	145,657,271.99	-
Short-term loan from related parties	-	11,494,854.78	-	11,494,854.78	5.00
Lease liabilities	-	2,499,264.00	-	2,499,264.00	7.00

24.3 Credit risk

The Company is exposed to credit risk primarily relating to trade accounts receivable. The management of the Company manages this risk by establishing appropriate credit control policies and procedures. Therefore, it does not expect to incur material losses from debt collection more than the amount already provided in the allowance for doubtful accounts.

24.4 Foreign currency risk

The Company do hold risk from fluctuation of exchange rate in the oversea currencies and net monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency.

24.5 Liquidity risk

The Company manage its liquidity risk by maintaining adequate level of cash and cash equivalents to support the Company's operations as well as securing short-term credit facilities from financial institutions for reserve as necessary and to reduce the impact of fluctuations in cash flow.

24.6 Fair value

The carrying amount of financial assets and financial liabilities as presented in the statement of financial position are mostly bear floating interest rates or fixed interest rates which are close to market rate. The management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying amount.

25. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended March 31, 2024 and 2023 are as follows:

	Baht			
	Balance as at March 31, 2023	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at March 31, 2024
Short-term loan from related parties	11,494,854.78	(11,524,831.86)	29,977.08	-
Leases liabilities	2,499,264.00	(1,096,640.00)	-	1,402,624.00
Total	13,994,118.78	(12,621,471.86)	29,977.08	1,402,624.00

	Baht			
	Balance as at March 31, 2022	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at March 31, 2023
Short-term loan from related parties	11,223,847.67	-	271,007.11	11,494,854.78
Leases liabilities	705,968.65	(963,263.65)	2,756,559.00	2,499,264.00
Total	11,929,816.32	(963,263.65)	3,027,566.11	13,994,118.78

26. COMMITMENT AND CONTINGENT LIABILITIES

As at March 31, 2024 and 2023, the company has outstanding lease commitments regarding office space and related service, equipment rental and vehicle rental which are non-cancelable agreements are as follows:

	Baht	
	2024	2023
Due within 1 year	185,481.28	354,343.84
Due after 1 year but within 5 years	167,400.00	143,551.60
Total	352,881.28	497,895.44

28. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors of the Company on June 14, 2024.

TVS SCS Singapore Pte. Ltd

FY 2023-24

TVS Supply Chain Solutions Limited (the “Parent”) is required under Regulation 46(2)(s) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, to publish the audited financial statements of its subsidiaries on its website. As member of the Parent, and to all persons other than such member, being the person so entitled, you have been provided access to this set of financial statements subject to the terms herein.

The attached financial statements were prepared by TVS SCS Singapore Pte. Ltd (the “Company”) pursuant to the requirements set out in section 207 of the Singapore Companies Act 1967 (the “Act”). The audit report on the financial statements is issued by Deloitte & Touche LLP as statutory auditors of the Company and for no other purpose. If you or any other party wishes to rely upon the audit report, you/they do so entirely at your/their own risk.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

TVS SCS SINGAPORE PTE. LTD.

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of TVS SCS Singapore Pte. Ltd ("the company"), which comprise the statement of financial position of the company as at March 31, 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 6 to 39.

In our opinion, the accompanying financial statements of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the company as at March 31, 2024 and of the financial performance, changes in equity and cash flows of the company for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2 but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

TVS SCS SINGAPORE PTE. LTD.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

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

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.

Public Accountants and
Chartered Accountants
Singapore

May 24, 2024

TVS SCS SINGAPORE PTE. LTD.

STATEMENT OF FINANCIAL POSITION
March 31, 2024

	Note	2024	2023
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	7	2,315,609	5,014,002
Contract assets	8	532,151	768,471
Trade and other receivables	9	44,751,508	38,964,386
Total current assets		47,599,268	44,746,859
Non-current assets			
Trade and other receivables	9	1,210,830	731,334
Plant and equipment	10	632,700	1,093,263
Right-of-use assets	11	47,061,986	19,559,070
Investment in subsidiaries	12	15,848,942	9,804,982
Deferred tax assets	13	511,710	-
Total non-current assets		65,266,168	31,188,649
Total assets		112,865,436	75,935,508
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	14	17,407,585	29,612,535
Lease liabilities	16	10,077,547	10,584,954
Loan from bank	15	7,146,900	-
Total current liabilities		34,632,032	40,197,489
Non-current liabilities			
Trade and other payables	14	4,064,953	2,527,812
Lease liabilities	16	37,534,968	10,104,159
Total non-current liabilities		41,599,921	12,631,971
Capital and reserves			
Share capital	17	4,000,000	4,000,000
Deemed capital	18	31,604,980	31,604,980
Foreign currency translation reserve		160,493	160,493
Retained profits/(Accumulated losses)		868,010	(12,659,425)
Total equity		36,633,483	23,106,048
Total liabilities and equity		112,865,436	75,935,508

See accompanying notes to financial statements.

TVS SCS SINGAPORE PTE. LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Year ended March 31, 2024

	Note	2024	2023
		$	$
Revenue	19	70,215,709	114,139,010
Other operating income	20	11,246,294	660,999
Freight and handling expenses		(42,166,891)	(85,197,429)
Employee benefits expense		(8,504,648)	(9,242,302)
Depreciation and amortization expense	10,11	(11,262,329)	(11,952,509)
Other operating expenses	21	(4,991,114)	(7,348,807)
Finance costs	22	(935,917)	(1,280,676)
Profit/(Loss) before tax		13,601,104	(221,714)
Income tax expense	23	(73,669)	(809,926)
Profit/(Loss) for the year	24	13,527,435	(1,031,640)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		-	76,879
Other comprehensive income for the year, net of tax		-	76,879
Total comprehensive income/(loss) for the year		13,527,435	(954,761)

See accompanying notes to financial statements.

TVS SCS SINGAPORE PTE. LTD.

STATEMENTS OF CHANGES IN EQUITY
Year ended March 31, 2024

	Share capital	Deemed capital	Foreign currency translation reserve	Retained profits/(Accumulated losses)	Net
	$	$	$	$	$
Balance at April 1, 2022	4,000,000	31,604,980	83,614	(11,627,785)	24,060,809
Total comprehensive loss for the year:					
Loss for the year	-	-	-	(1,031,640)	(1,031,640)
Other comprehensive income for the year	-	-	76,879	-	76,879
	-	-	76,879	(1,031,640)	(954,761)
Balance at March 31, 2023	4,000,000	31,604,980	160,493	(12,659,425)	23,106,048
Total comprehensive income for the year:					
Profit for the year	-	-	-	13,527,435	13,527,435
Balance at March 31, 2024	4,000,000	31,604,980	160,493	868,010	36,633,483

See accompanying notes to financial statements.

TVS SCS SINGAPORE PTE. LTD.

STATEMENT OF CASH FLOWS
Year ended March 31, 2024

	2024	2023
	$	$
Operating activities		
Profit/(Loss) before tax	13,601,104	(221,714)
Adjustments for:		
Depreciation expense of plant and equipment	1,152,545	2,036,996
Depreciation expense of right-of-use assets	10,109,784	9,915,513
Interest income	(379,615)	(455,544)
Interest expense on loan from related companies	227,436	338,106
Interest expense on lease liabilities	685,989	942,570
Interest expense on third party	22,492	-
Dividend income	8,950,286	-
(Reversal of)/Impairment loss of right-of-use assets	-	(1,004,361)
(Reversal) Loss allowance for impaired trade receivables from subsidiaries	(1,003,131)	743,254
Loss allowance for impaired trade receivables from third parties	-	628,466
Unrealised exchange difference	131,952	668,462
Rent concessions	-	(13,139)
Operating cash flows before movements in working capital	33,498,842	13,578,609
Trade and other receivables	(8,303,681)	3,178,960
Contract assets	236,320	(155,533)
Trade and other payables	(14,927,361)	(3,113,858)
Cash generated from operations	10,504,120	13,488,178
Income tax paid	(585,379)	-
Interest paid	(249,928)	(338,106)
Interest received	379,615	455,544
Net cash from operating activities	10,048,428	13,605,616
Investing activities		
Purchase of plant and equipment	(691,983)	-
Repayment of loan from subsidiaries	2,950,115	454,999
Loan to related companies	211,067	-
Investment in subsidiary	(6,043,960)	-
Net cash (used in)/from investing activities	(3,574,761)	454,999
Financing activities		
Loan from subsidiaries	(4,842,948)	(860,586)
Loan from holding company	-	(798,365)
Proceeds from bank borrowings	7,146,900	-
Repayment of principal portion of lease liabilities	(10,689,298)	(10,903,005)
Repayment of interest on lease liabilities	(685,989)	(942,570)
Net cash used in financing activities	(9,071,335)	(13,504,526)
Net (decrease)/increase in cash and cash equivalents	(2,597,668)	556,089
Cash and cash equivalents at the beginning of the year	5,014,002	4,561,967
Effects of currency translation on cash and cash equivalents	(100,725)	(104,054)
Cash and cash equivalents at the end of the year (Note 7)	2,315,609	5,014,002

See accompanying notes to financial statements.

1 GENERAL

The company (Registration Number 200211131D) is incorporated in Singapore with its principal place of business and registered office at 21 Changi North Way, Pan Asia Logistics Centre, Singapore 498774. The financial statements are expressed in Singapore dollars.

The principal activities of the company are those of forwarding and freight services. The company has a registered branch in Japan. The branch in Japan mainly engages in forwarding and freight services.

The financial statements of the company for the financial year ended March 31, 2024 were authorised for issue by the Board of Directors on May 24, 2024.

2 MATERIAL ACCOUNTING POLICY INFORMATION

BASIS OF PREPARATION - The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in material accounting policy information below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Financial Reporting Standards in Singapore ("FRSs").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these interim consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102, leasing transactions that are within the scope of FRS 116, and measurements that have some similarities to fair value but are not fair value, such as value in use in FRS 36.

BASIS OF CONSOLIDATION - Consolidated financial statements of the company and its subsidiaries have not been prepared as the company is a wholly owned subsidiary of TVS Supply Chain Solutions Pte Ltd , a company incorporated in Singapore with its registered office at 21 Changi North Way, TVS SCS Logistic Centre, Singapore 498774. TVS Supply Chain Solutions Pte Ltd prepares consolidated financial statements. Such financial statements are publicly available.

A subsidiary is an entity controlled by the company. Control is achieved when the company:

- has power over its investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Investment in subsidiaries in the financial statements of the company are stated at cost, less any impairment in recoverable value.

ADOPTION OF NEW AND REVISED STANDARDS - On April 1, 2023, the company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the company's accounting policies and has no material effect on the amounts reported for the current or prior years.

Amendments to FRSs 1-1 and FRSs Practice Statement 2: ***Disclosure of Accounting Policies***

The company has adopted the amendments to FRSs 1-1 for the first time in the current year. The amendments change the requirements in FRSs 1-1 with regard to disclosure of accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in FRSs 1-1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The company has applied materiality guidance in FRSs Practice Statement 2 in identifying its material accounting policies for disclosures in the related notes. The previous term 'significant accounting policies' used throughout the financial statements has been replaced with 'material accounting policy information'.

Amendments to FRSs 1-12: ***International Tax Reform - Pillar Two Model Rules***

The company has adopted the amendments to FRSs 1-12 for the first time in the current year. The scope of FRSs 1-12 was amended to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development ("OECD"), including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in FRSs 1-12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

Following the amendments, the company is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes.

The amendments have no impact on the company in the current year as management has determined that the company is not in scope of the Pillar Two model rules.

STANDARDS ISSUED BUT NOT EFFECTIVE - At the date of authorisation of these financial statements, the company have not applied the following FRSs pronouncements that have been issued but are not yet effective:

<u>Effective for annual periods beginning on or after January 1, 2024</u>

- Amendments to FRS 1-1: *Classification of Liabilities as Current or Non-current*

Management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in future periods will have a material impact on the financial statements of the company in the period of their initial adoption.

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the company's statement of financial position when the company entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest basis for debt instruments.

Financial assets

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is 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.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The company always recognises lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the company considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. The company has identified the forecast economic information that relate to the freight forwarding business of the countries in which it perform services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the company has reasonable and supportable information that demonstrates otherwise.

The company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The company considers that default has occurred when a financial asset is more than 90 days past due unless the company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Write-off policy

The company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate.

If the company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method except for short-term balances when the recognition of interest would be immaterial.

Interest-bearing loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Interest expense calculated using the effective interest method is recognised over the term of the borrowings in accordance with the company's accounting policy for borrowing costs.

Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the company has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

LEASES

The company as lessee

The company assesses whether a contract is or contains a lease, at inception of the contract. The company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the company uses the incremental borrowing rate specific to the lessee.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The company determines the incremental borrowing rate on the lease as the rate of interest that the company would have to pay to borrow over a similar term with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset.

The company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under FRS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The company applies FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described below.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other operating expenses' in the statement of profit or loss.

PLANT AND EQUIPMENT - Plant and equipment are stated at cost, less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, using the straight-line method, on the following bases:

Computers	-	3 years
Containers	-	5 years
Furniture and fittings	-	5 years
Office equipment	-	5 years
Renovation	-	5 years
Warehouse equipment	-	5 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

Fully depreciated assets still in use are retained in the financial statements.

IMPAIRMENT OF TANGIBLE ASSETS - At the end of each reporting period, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

PROVISIONS - Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

BORROWING COSTS - Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

GOVERNMENT GRANTS - Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. Government grants whose primary condition is that the company should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit or loss in the period in which they become receivable.

REVENUE RECOGNITION - Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or renders service to a customer.

The company generates revenue principally by providing freight forwarding services and warehousing services.

Freight forwarding services

Freight forwarding services include air and sea transportation, custom clearance, documentation, cartage, handling, transfers and delivery of goods. Revenue from outbound freight forwarding is recognised upon departure of goods from port of disembarkation, while revenue from inward freight forwarding is recognised when goods arrive at port of arrival. Management expects that the amount of revenue recognised by these recognition points would approximate the amount of revenue to be recognised over time as services are performed.

Warehousing services

Warehousing Services refers to the provision of the storage of customer’s products. Revenue is recognised over time as the customer simultaneously receives and consumes the benefits provided by the company’s performance as the company performs, based on the time elapsed. Services are billed on weekly/monthly basis.

Payment for warehousing services performed is not due from the customer until the services are completed or billing milestone is reached, and therefore a contract asset is recognised over the period in which the services are performed representing the company’s right to consideration for the services performed to date (Note 8).

Interest income

Interest income from loans to related companies are accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is recognised using the effective interest method.

EMPLOYEE LEAVE ENTITLEMENT - Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The company’s liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION - The financial statements of the company and branch are measured in the currency of the primary economic environment in which they operate (its functional currency). The financial statements of the company and branch are presented in Singapore dollars.

In preparing the financial statements of each individual entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS - Cash and cash equivalents in the statement of cash flows comprise cash on hand, cash at bank and demand deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company’s accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgements in applying the company’s accounting policies

Management is of the opinion that any instances of application of judgements not expected to have a significant effect on the amounts recognised in the financial statements.

ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

<u>Calculation of loss allowance</u>

When measuring ECL, the company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The carrying amount of trade and other receivables and contract assets are disclosed in Note 9 and 8 to the financial statements respectively.

<u>Impairment of investment in subsidiaries</u>

In the company’s financial statements, investment in subsidiaries is carried at cost less accumulated impairment loss, if any. Determining whether investment in subsidiaries as disclosed in Note 12 is impaired requires an estimation of the fair value less costs to sell or the value in use of the investment. The fair value less costs to sell requires management to estimate the fair value of the subsidiaries or its underlying assets. Where there are no active markets for the assets, management has to exercise judgement in estimating the fair values of these assets. Management has carried out a review of the recoverable amount of the investment in subsidiaries, having regard to the existing performance of the subsidiaries and have performed the impairments during the year as disclosed in Note 12.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	2024	2023
	$	$
Financial assets		
Financial assets at amortised cost	47,457,762	44,678,241
Financial liabilities		
Financial liabilities at amortised cost	24,210,923	29,612,535
Lease liabilities	47,612,515	20,689,113

(b) Financial risk management policies and objectives

The company is exposed to financial risks arising from its operations. The key financial risks include credit risk, foreign currency risk interest rate risk and liquidity risk. The company's risk management approach seeks to minimise the potential material adverse effects from these risk exposures. The management manages and monitors these exposures and ensures appropriate measures are implemented on a timely and effective manner.

There has been no change to the company's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

(i) Foreign exchange risk management

The company have transactional currency exposure arising from sales or purchases that are denominated in currencies other than the functional currency of the company. The foreign currencies in which these transactions are denominated are mainly United States Dollar ("US Dollar") and Euro.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the company's functional currency are as follows:

	Company			
	Assets		Liabilities	
	2024	2023	2024	2023
	$	$	$	$
US Dollar	15,655,616	16,049,998	4,505,942	11,773,430
Euro	8,089,562	8,205,390	1,296,536	1,419,110

Foreign currency sensitivity

The following table details the sensitivity to a 10% increase and decrease in the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign subsidiaries where they gave rise to an impact on the company's profit or loss and/or equity.

If the relevant foreign currency strengthens by 10% against the functional currency of the company, profit for the year will increase/(decrease) by:

	2024	2023
	$	$
US Dollar	1,114,967	427,656
Euro	679,303	678,628

The opposite applies if the relevant foreign currencies weaken by 10% against the functional currency of the company.

(ii) Interest rate risk management

Summary quantitative data of the company's interest-bearing financial instruments can be found in section (iv) of this Note. The company is exposed to interest rate risk, as it does not have any variable rate financial assets/liabilities during the financial year other than bank borrowings.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the company's exposure to interest rates at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating interest rates. A 100 basis point (2023 : Nil) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

If interest rates had been 100 basis points (2023 : Nil) higher or lower and all other variables were held constant, the company's profit before tax for the year ended March 31, 2024 would decrease/increase by approximately $71,469 (2023 :Nil). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings.

(iii) Credit risk management

The company develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The company uses its own trading records to rate its major customers and other debtors.

The table below details the credit quality of the company's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

Category	**Description**	**Basis for recognising expected credit losses (ECL)**
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the company has no realistic prospect of recovery.	Amount is written off

For trade receivables and contract asset, the company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The company determines the ECL on these items by using a provision matrix, estimated based on historical credit loss experience based on the past default experience of the debtor, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The company has adopted procedures in extending credit terms to customers and in monitoring its credit risk. The company only grants credit to creditworthy counterparties. Cash is held with creditworthy institutions and is subject to immaterial credit loss.

Further details of credit risks on trade and other receivables and contract assets are disclosed in Note 9 and Note 8 to the financial statements respectively.

(iv) Liquidity risk management

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity are to ensure, as far as possible, that they will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Liquidity and interest risk analyses

Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. 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 table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liability on the statements of financial position.

	Weighted average effective interest rate	**On demand or within 1 year**	**Within 2 to 5 years**	**Adjustment**	**Total**
	% p. a.	$	$	$	$
2024					
Non-interest bearing	-	15,336,919	-	-	15,336,919
Fixed interest rate instruments	5	1,813,659	-	(86,555)	1,727,104
Borrowings	5.65% to 6.15%	7,568,238	-	(421,338))	7,146,900
Lease liabilities	5	12,092,268	40,910,339	(5,390,092)	47,612,515
		36,811,084	40,910,339	(5,897,985)	71,823,438
2023					
Non-interest bearing	-	23,042,483	-	-	23,042,483
Fixed interest rate instruments	5	6,570,052	-	-	6,570,052
Lease liabilities	5	11,252,896	10,707,821	(1,271,694)	20,689,023
		40,865,431	10,707,821	(1,271,694)	50,301,558

Non-derivative financial assets

All financial assets of the company are on repayable on demand or due within one year in 2024 and 2023, except for non-current deposits which are repayable after one year.

(v) Fair value of financial assets and financial liabilities

The carrying amounts of the company's financial assets and liabilities, other than non-current deposits and lease liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

(c) Capital management objectives and policies

The company reviews its capital structure at least annually to ensure that the company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the company comprises of borrowings from related companies, issued capital, reserves and accumulated profits.

The company's overall strategy remained unchanged from prior year.

5 HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS

The company is wholly-owned subsidiary of TVS Supply Chain Solutions Pte Ltd incorporated in Republic of Singapore. The ultimate holding company, TVS Supply Chain Solutions Limited is incorporated in India.

Related companies in these financial statements refer to members of the ultimate holding company's group of companies. The balances are unsecured, interest-free, repayable on demand and expected to be settled in cash unless otherwise stated.

During the year, the company entered into the following transactions with related companies other than disclosed elsewhere in the financial statements:

	2024	2023
	$	$
Services to related companies	3,004,680	5,023,002
Services from related companies	(15,395,926)	(38,013,551)
Interest income from related companies	379,616	455,324
Management fee expenses to holding company	(1,899,610)	(1,892,372)
Interest expense to related companies	(227,436)	(338,106)

6 OTHER RELATED PARTY TRANSACTIONS

Some of the company's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

Compensation of directors and key management personnel

The remuneration paid to key management personnel of the company are paid by the immediate holding company and recharged to the company by way of the management fee as disclosed in Note 5.

7 CASH AND CASH EQUIVALENTS

	2024	2023
	$	$
Cash at bank	2,315,609	5,014,002

8 CONTRACT ASSETS

Contract assets are initially recognised for revenue earned from freight forwarding services and warehouse services as receipt of consideration is conditional on successful completion of services. Upon completion of services and billing, the amounts recognised as contract assets are reclassified to trade receivables.

At the end of the reporting period, the company has contract assets of $532,151 (2023 : $768,471).

Management estimates the loss allowance on contract assets at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the industry. None of the amounts due from customers at the end of the reporting period is past due. There was no credit allowance provided for during the financial year.

9 TRADE AND OTHER RECEIVABLES

	2024	2023
	$	$
Current		
Trade receivables due from:		
- Third parties	5,119,837	9,937,354
- Loss allowances	(696)	(711,276)
	5,119,141	9,226,078
- Related companies (Note 5)	227,778	284,103
	227,778	284,103
- Subsidiaries (Note 5)	8,677,416	8,578,109
- Loss allowances	(5,973,527)	(5,973,527)
	2,703,889	2,604,582

	2024	2023
	$	$
Other receivables due from:		
- Third parties	150,678	153,402
- Immediate Holding company (Note 5)	16,694,541	1,796,883
- Subsidiaries (Note 5)	-	5,081,543
- Related companies (Note 5)	15,303,223	13,392,945
	32,148,442	20,424,773
Loans receivable from:		
- Related company (Note 5)	4,235,318	4,446,385
- Subsidiaries (Note 5)	1,543,369	4,493,484
- Loss allowances	(1,543,369)	(2,546,500)
	4,235,318	6,393,369
Deferred costs	125,811	-
Prepayments	191,129	31,481
	44,751,508	38,964,386

Non-current

Deferred costs	503,245	-
Deposits	707,585	731,334
Total	1,210,830	731,334

The carrying values of trade and other receivables approximate their fair values. The average credit period is approximately 30 days (2023 : 30 days). No interest is charged on the outstanding trade receivables.

Trade receivables

Loss allowance for trade receivables has been measured at an amount equal to lifetime expected credit losses (ECL). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate.

Specific allowance on an individual basis is assigned for long outstanding trade receivables which amounted to $NIL (2023 : $710,580).

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

The following table details the risk profile of trade receivables from contracts with customers based on the company's provision matrix. As the company's historical credit loss experience show significantly different loss patterns between related companies and third parties customers, the provision for loss allowance based on past due status has been distinguished between the company's related companies and third parties customers.

	Trade receivables due from third parties-days past					
	Current	<30 days	31-60 days	61-90 days	>91 days	Total
	$	$	$	$	$	$
2024						
Gross carrying amount	3,355,200	1,448,057	235,280	43,703	37,597	5,119,837
Estimated gross carrying amount at default	3,355,200	1,448,057	235,280	43,703	37,597	5,119,837
Expected credit loss rate	0.00%	0.02%	0.10%	0.00%	0.00%	
Lifetime ECL	(160)	(260)	(230)	(59)	13	(696)
						5,119,141
2023						
Gross carrying amount	8,699,219	359,101	144,292	18,813	715,929	9,937,354
Less: Specific provision	-	-	-	-	(710,580)	(710,580)
Estimated gross carrying amount at default	8,699,219	359,101	144,292	18,813	5,349	9,226,774
Expected credit loss rate	0.00%	0.05%	0.07%	0.58%	1.35%	
Lifetime ECL	(228)	(181)	(106)	(109)	(72)	(696)
						9,226,078

The movements in credit loss allowance are as follows:

	2024	2023
	$	$
Balance at beginning of the year	711,276	82,810
Amount written off	(710,580)	-
Increase in allowance recognised in profit or loss	-	628,466
Balance at end of the year	696	711,276

Trade receivables from related companies and subsidiaries

Loss allowance for trade receivables from related companies and subsidiaries has been measured at an amount equal to lifetime expected credit losses (ECL). The ECL on trade receivables are estimated based on past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate. Accordingly, loss allowance for these receivables has been made for $5,973,527 (2023 : $5,973,527) as at the end of the reporting period for amount that are considered credit impaired during the year.

Loan receivable and other receivables from related companies and subsidiaries

Loans receivable from subsidiaries and related company are unsecured, repayable on demand and bears interest between 0% to 7% per annum (2023 : unsecured, repayable on demand and bears interest between 0% to 7% per annum). The fair value of loans receivable from subsidiaries approximate their carrying amount.

In determining the ECL of loan receivables and other receivables from subsidiaries and related companies , management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case. Accordingly, loss allowance for these receivables has been made for $1,543,369 (2023 : $2,546,500) as at the end of the reporting period for amount that are considered credit impaired during the year.

For the remaining balances, they are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses (ECL).

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for these receivables.

10 PLANT AND EQUIPMENT

	Computers	Containers	Furniture and fittings	Office equipment	Renovation	Warehouse equipment	Total
	$	$	$	$	$	$	$
Cost:							
At April 1, 2022	2,128,244	148,352	1,223,780	569,335	2,974,007	13,196,720	20,240,438
Reclassification	-	-	52,950	-	-	(52,950)	-
At March 31, 2023	2,128,244	148,352	1,276,730	569,335	2,974,007	13,143,770	20,240,438
Additions	68,049	-	8,910	-	177,276	437,748	691,983
Disposal	(32,195)	-	-	-	(7)	-	(32,202)
At March 31, 2024	2,164,098	148,352	1,285,640	569,335	3,151,276	13,581,518	20,900,219
Accumulated depreciation:							
At April 1, 2022	2,076,286	148,352	1,214,073	546,315	2,857,217	10,267,936	17,110,179
Reclassification	-	-	30,761	-	-	(30,761)	-
Depreciation for the year	27,272	-	24,298	19,763	57,927	1,907,736	2,036,996
At March 31, 2023	2,103,558	148,352	1,269,132	566,078	2,915,144	12,144,911	19,147,175
Depreciation for the year	35,403	-	6,307	1,861	35,170	1,073,804	1,152,545
Disposal	(32,201)	-	-	-	-	-	(32,201)
At March 31, 2024	2,106,760	148,352	1,275,439	567,939	2,950,314	13,218,715	20,267,519
Carrying amount:							
At March 31, 2024	57,338	-	10,201	1,396	200,962	362,803	632,700
At March 31, 2023	24,686	-	7,598	3,257	58,863	998,859	1,093,263

11 RIGHT-OF-USE ASSETS

The company leases several assets as identified below. The average lease term is 3-5 years.

	Building	Plant and equipment	Office equipment	Total
	$	$	$	$
Cost:				
At April 1, 2022	47,075,859	439,855	400,000	47,915,714
Additions	11,385,309	200,851	-	11,586,160
Adjustment	10,111,324	48,011	29,613	10,188,948
Derecognition	-	(139,689)	-	(139,689)
At March 31, 2023	68,572,492	549,028	429,613	69,551,133
Additions	36,458,790	680,581	473,329	37,612,700
Derecognition	(37,081,897)	(420,991)	(429,613)	(37,932,501)
At March 31, 2024	67,949,385	808,618	473,329	69,231,332
Accumulated depreciation:				
At April 1, 2022	(29,642,906)	(126,663)	(257,722)	(30,027,291)
Depreciation for the year	(9,583,312)	(246,372)	(85,829)	(9,915,513)
Adjustment	(10,029,834)	(116,319)	(42,795)	(10,188,948)
Derecognition	-	139,689	-	139,689
At March 31, 2023	(49,256,052)	(349,665)	(386,346)	(49,992,063)
Depreciation for the year	(9,776,011)	(227,292)	(106,481)	(10,109,784)
Derecognition	37,081,897	420,991	429,613	37,932,501
At March 31, 2024	(21,950,166)	(155,966)	(63,214)	(22,169,346)
Accumulated impairment loss:				
At April 1, 2022	(1,004,361)	-	-	(1,004,361)
Reversal of impairment loss for the year	1,004,361	-	-	1,004,361
At March 31, 2023 and March 31, 2024	-	-	-	-
Carrying amount:				
At March 31, 2024	45,999,219	652,652	410,115	47,061,986
At March 31, 2023	19,316,440	199,363	43,267	19,559,070

12 INVESTMENT IN SUBSIDIARIES

	2024	2023
	$	$
<u>Unquoted equity shares</u>		
Cost	11,109,412	11,109,412
Add: Addition	6,043,960	-
Less : Impairment loss	(1,304,430)	(1,304,430)
	15,848,942	9,804,982

On March 21, 2024, the company made an additional investment in TVS SCS Deutschland GmbH for a consideration of $6,043,960.

Movement in impairment loss on investment in subsidiaries:

	2024	2023
	$	$
At the beginning of the year	1,304,430	1,304,430
Addition during the year	-	-
At the end of the year	1,304,430	1,304,430

Details of the company's significant subsidiaries at March 31, 2024 are as follows:

Name of subsidiaries	Country of incorporation	Proportion of ownership interest		Proportion of voting power held		Principal activities
		2024	2023	2024	2023	
		%	%	%	%	
TVS SCS Hong Kong Limited	Hong Kong	100	100	100	100	Forwarding and freight services.
Pan Asia Container Line Pte Ltd	Hong Kong	100	100	100	100	Forwarding and freight services.
TVS SCS India Private Limited	India	100	100	100	100	Forwarding and freight services.
TVS SCS Malaysia Sdn Bhd	Malaysia	100	100	100	100	Forwarding and freight services.
TVS SCS Logistics Ltd	People's Republic of China	100	100	100	100	Forwarding and freight services.
TVS SCS Taiwan Limited	Taiwan	100	100	100	100	Forwarding and freight services.
TVS SCS Logistics (Thailand) Limited	Thailand	100	100	100	100	Forwarding and freight services.
TVS SCS Vietnam Company Limited	Vietnam	100	100	100	100	Forwarding and freight services.
TVS SCS Deutschland GmbH	Germany	100	100	100	100	Forwarding and freight services.
TVS SCS (Korea) Ltd	Republic of Korea	100	100	100	100	Freight forwarding and warehouse services.
PT TVS SCS	Indonesia	100	100	100	100	Forwarding and freight services.

13 DEFERRED TAX ASSETS

The following are the major deferred tax assets recognised by the company, and the movements thereon:

	$
As at April 1, 2022	809,926
Change to profit or loss (Note 22)	(809,926)
As at March 31, 2023	-
Credit to profit or loss (Note 22)	511,710
As at March 31, 2024	511,710

Deferred tax assets of the company arise from the recognition of unutilized tax losses available for set-off against future taxable income subjected to compliance with certain provision of the tax legislation.

14 TRADE AND OTHER PAYABLES

	2024	2023
	$	$
<u>Current</u>		
Trade payables due to:		
- Related parties (Note 6)	259,322	320,090
- Third parties	4,946,447	9,148,390
- Subsidiaries (Note 5)	4,146,575	7,775,640
Loan from subsidiaries (Note 5)	1,727,104	6,570,052
Other payables due to:		
- Related company (Note 5)	-	266,342
- Third parties	226,676	96,836
Accruals	5,431,149	3,768,435
Deposits	326,750	1,666,750
Deferred income	343,562	-
	17,407,585	29,612,535
<u>Non-current</u>		
Deferred income	1,374,249	-
Provision for restoration costs	2,690,704	2,527,812
Total	4,064,953	2,527,812

The average credit period on purchase of goods is 30 days (2023 : 30 days). No interest is charged on the trade payables.

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.

Loan from subsidiaries and holding company are unsecured, carries interest at 5% to 7% (2023 : 5% to 7%) per annum and is repayable on demand.

15 BORROWING

	2024	2023
	$	$
Current		
Revolving credit facility	7,146,900	-

The revolving credit facility is secured by the corporate guarantee provided by TVS Supply Chain Solutions Limited ("ultimate holding company") and carries interest at an average of 2% plus 1-month SORA rate.

Under the banking facility agreement, the company and its material subsidiaries is a guarantor for any cross-defaults by related companies. The ultimate holding company and its subsidiaries have not defaulted on any of the financial and non-financial covenants as at March 31, 2024.

16 LEASE LIABILITIES

	2024	2023
	$	$
Maturity analysis:		
Year 1	12,092,268	11,252,896
Year 2	11,880,538	3,684,949
Year 3	11,867,611	3,392,508
Year 4	8,685,516	3,356,454
Year 5	8,476,674	274,000
	53,002,607	21,960,807
Less: Unearned interest	(5,390,092)	(1,271,694)
	47,612,515	20,689,113
Analysed as:		
Current	10,077,547	10,584,954
Non-current	37,534,968	10,104,159
	47,612,515	20,689,113

The company does not face a significant liquidity risk regarding to its lease liabilities. Lease liabilities are monitored within the company's treasury function.

Reconciliation of liabilities arising from financing activities

The table below details changes in the company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the statement of cash flows as cash flows from financing activities.

	April 1, 2023	Financing cash flow (i)	New lease liabilities	Rent concessions	March 31, 2024
	$	$	$	$	$
Loan from subsidiaries	6,570,052	(4,842,948)	-	-	1,727,104
Loan from bank		7,146,900	-	-	7,146,900
Lease liabilities	20,689,113	(10,689,298)	37,612,700	-	47,612,515
	27,259,165	(8,385,346)	37,612,700	-	56,486,519

	April 1, 2022	Financing cash flow (i)	New lease liabilities	Rent concessions	March 31, 2023
	$	$	$	$	$
Loan from subsidiaries	7,430,638	(860,586)	-	-	6,570,052
Loan from holding company	798,365	(798,365)	-	-	-
Lease liabilities	20,019,097	(10,903,005)	11,586,160	(13,139)	20,689,113
	28,248,100	(12,561,956)	11,586,160	(13,139)	27,259,165

(i) The cash flow refers to principal repayment of loans and lease liabilities in the statement of cash flows.

17 SHARE CAPITAL

	2024	2023	2024	2023
	Number of ordinary shares		$	$
Issued and paid up:				
At the beginning and end of the year	4,000,000	4,000,000	4,000,000	4,000,000

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the company.

18 DEEMED CAPITAL

In 2018, quasi-equity loans of $31,604,980 was made from holding company, TVS Supply Chain Solutions Pte Ltd to settle outstanding balances with previous holding company, Pan Asia Logistics Holdings Singapore Pte Ltd. The quasi-equity loans represent an extension of the holding company's investment in TVS SCS Singapore Pte Ltd (formerly known as Pan Asia Logistics Singapore Pte Ltd). The quasi-equity loan is unsecured and interest free. The company has no contractual obligation to repay and the eventual return is at the discretion and ability of the company.

19 REVENUE

A disaggregation of the company's revenue for the year is as follows:

	2024	2023
	$	$
By timing of recognition		
Over time	70,215,709	114,139,010

20 OTHER OPERATING INCOME

	2024	2023
	$	$
Rent concessions[1]	-	13,139
Dividend income from subsidiaries	8,950,286	-
Liability written back	1,916,393	-
Others	-	192,316
Interest income from bank	-	220
Interest income from related companies (Note 5)	379,615	455,324
	11,246,294	660,999

(1) Rent concessions

The company received rental rebate of $NIL (2023 : $13,139) for the leased buildings under the Rental Relief Framework as mandated by the Government. The rental rebate has been accounted for as rent concessions in profit or loss as negative variable rent and the receivable for rental rebate has been offset against the lease liability.

(2) Liability written back

The company has written back liability of USD 1,425,038.50 (SGD 1,905,051) owing to Transtar International Freight (Shanghai) Limited ("Transtar China"). Transtar China voluntarily forgives the debt due to deregistration of the company.

21 OTHER OPERATING EXPENSES

	2024	2023
	$	$
Rental expense	6,298	6,600
Utilities and maintenance	859,022	956,816
Transportation expense	176,175	180,729
Legal and professional fees	310,139	211,922
Net foreign exchange gains	368,055	1,095,214
Telecommunication expenses	68,143	68,318
Management fees to holding company (Note 5)	1,899,610	1,892,372
Computer/IT expenses	435,793	402,705
Allowance for impaired trade and other receivables from subsidiaries	(1,003,131)	743,254
Allowance for impaired trade receivables from third parties	-	628,466
Reversal of impairment loss (Note 11)	-	(1,004,361)
Others	1,871,010	2,166,772
	4,991,114	7,348,807

22 FINANCE COSTS

	2024	2023
	$	$
Interest on lease liabilities	685,989	942,570
Interest on loan from related companies (Note 5)	227,436	338,106
Interest on borrowings	18,958	-
Others	3,534	-
	935,917	1,280,676

23 INCOME TAX EXPENSE

	2024	2023
	$	$
Withholding tax	585,379	-
Deferred taxation (Note 13)		
- Reversal tax effect of previously recognised deferred tax assets	-	809,926
- Current year	(511,710)	-
	73,669	809,926

Domestic income tax is calculated at 17% (2023 : 17%) of the estimated assessable income for the year.

The total income tax for the year can be reconciled to the accounting (loss) profit as follows:

	2024	2023
	$	$
Profit /(Loss) before tax	13,601,104	(221,714)
Tax at the statutory tax rate of 17% (2023 : 17%)	2,312,188	(37,691)
Non-deductible items	60,448	66,482
Non-taxable items	(1,691,963)	(170,741)
Deferred tax asset not recognised	112,996	346,288
Utilisation of previously unrecognised deferred tax assets	(793,669)	(204,388)
Tax effect of previously unrecognised and unused tax losses and tax offsets now recognised as deferred tax asset	(511,710)	-
Reversal tax effect of previously recognised deferred tax assets	-	809,926
Withholding tax	585,379	-
	73,669	809,926

Subject to the agreement by the tax authorities, the company has unutilised tax losses of $5,219,420 (2023 : $5,757,584), other deductible temporary differences of $15,793,324 (2023 : $19,644,271) available for offset against future profits. A deferred tax asset has been recognised in respect of $3,010,060 (2023 : $Nil) of unutilised tax losses. No deferred tax asset has been recognised in respect of the remaining unutilised tax losses of $2,209,360 (2023 : $5,757,584), and other temporary differences of $15,793,324 (2023 : $19,644,271) as it is not considered probable that there will be future taxable profits available.

24 PROFIT (LOSS) FOR THE YEAR

Profit (loss) for the year has been arrived at after charging:

	2024	2023
	$	$
Defined contribution plans included in employee benefits expense	991,604	1,180,484

Amount recognised in profit or loss relating to leases (The company as a lessee)

	2024	2023
	$	$
Depreciation expense on right-of-use assets	10,109,784	9,915,513
Interest expense on lease liabilities	685,989	942,570
Expense relating to short-term leases	6,298	6,600

<u>TVS SCS Taiwan Limited</u>

FY 2023-24

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Independent Auditor's Report

TVS SCS Taiwan Limited：

Opinion

We have audited the financial statements of TVS SCS Taiwan Limited ("the Company"), which comprise the statements of financial position as at March 31, 2024 and 2023, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2024 and 2023, and of its financial performance and its cash flows for the years then ended in accordance with "Enterprise Accounting Standards, and related Interpretations announced by the Accounting Research and Development Foundation of the Republic of China" (EAS).

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial statement by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Taiwan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. 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 parent company 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.

3. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

4. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements.

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

RSM Taiwan

Taipei, Taiwan (Republic of China)
June 30, 2024

TVS SCS Taiwan Limited

Balance Sheets

As at March 31, 2024 and 2023

(Expressed in New Taiwan Dollars)

	2024.03.31		2023.03.31	
	Amount	%	Amount	%
Non-current Assets				
Property, plant and equipment (Note 4)	-	-	-	-
Refundable deposits	614,500	1.16	614,500	0.85
Deferred tax assets (Note 10)	311,487	0.59	-	-
	925,987	1.75	614,500	0.85
Current Assets				
Account receivable (Note17)	38,650,641	72.70	58,547,253	81.46
Other receivable (Note 5)	1,465,455	2.76	3,684,381	5.13
Other assets, current	3,039,654	5.72	3,371,958	4.69
Cash and cash equivalents (Note 6)	9,081,235	17.07	5,658,546	7.87
	52,236,985	98.25	71,262,138	99.15
Total Assets	53,162,972	100.00	71,876,638	100.00

	2024.03.31		2023.03.31	
	Amount	%	Amount	%
Owners' Equity				
Comon Stock (Note 9)	7,500,000	14.11	7,500,000	10.43
Retained earnings - unappropriated(or accumulated deficit)	13,388,587	25.18	7,320,516	10.18
Legal Reserve	732,052	1.38	-	-
	21,620,639	40.67	14,820,516	20.61
Current Liabilities				
Notes and Accounts payable-related parties (Note 17)	23,342,324	43.91	48,336,691	67.25
Notes and Accounts payable	3,678,039	6.92	3,000,302	4.17
Accrued expenses and Other payables (Note 7)	1,913,061	3.60	2,140,530	2.99
Unearned receipts	151,900	0.29	168,430	0.23
Other current liabilities (Note 8)	786,896	1.48	188,050	0.26
Income Tax Payable (Note 10)	1,670,113	3.14	2,707,839	4
	31,542,333	59.33	56,541,842	78.67
Non-current Liabilityis				
Deferred tax Liabilities (Note 10)	-	-	514,280	0.72
	-	-	514,280	0.72
Total Liabilities and Owners' Equity	53,162,972	100.00	71,876,638	100.00

The accompanying notes are an integral part of the financial statements.

TVS SCS Taiwan Limited
Statement of Comprehensive Income
For the period from April 1, 2023 to March 31, 2024 and from April 1, 2022 to March 31, 2023
(Expressed in New Taiwan Dollars)

	2024		2023	
	Amount	%	Amount	%
Revenue (Note 11 & 17)	129,980,470	100.00	300,277,933	100.00
Other operating costs (Note 12 & 17)	(97,764,490)	(75.21)	(258,835,969)	(86.20)
Gross profit	32,215,980	24.79	41,441,964	13.80
Other income (Note 14)	39,549	0.03	258,862	0.09
Administrative expenses(Note 13)	(19,788,138)	(15.22)	(19,565,021)	(6.52)
Other expenses (Note 15)	(3,469,002)	(2.67)	(6,043,808)	(2.01)
Profit before Income tax	8,998,389	6.92	16,091,997	5.36
Income tax expense (Note 10)	(2,198,266)	(1.69)	(3,805,105)	(1.27)
Gain (Loss) for the year	6,800,123	5.23	12,286,892	4.09

The accompanying notes are an integral part of these financial statements.

TVS SCS Taiwan Limited
Statement of Changes in Owners' Equity
For the Year Ended March 31, 2024 and March 31, 2023
(Expressed in New Taiwan Dollars)

	Common Stock	Legal reserve	Retained earnings	Total Owners' Equity
Balance, March 31, 2022	7,500,000	-	(4,966,376)	2,533,624
Profit for the period from April 1, 2022 to March 31, 2023	-	-	12,286,892	12,286,892
Balance, March 31, 2023	7,500,000	-	7,320,516	14,820,516
Legal reserve	-	732,052	(732,052)	-
Profit for the period from April 1, 2023 to March 31, 2024	-	-	6,800,123	6,800,123
Balance, March 31, 2024	7,500,000	732,052	13,388,587	21,620,639

The accompanying notes are an integral part of these financial statements.

TVS SCS Taiwan Limited

Statements of Cash flows

For the period from April 1, 2023 to March 31, 2024 and from April 1, 2022 to March 31, 2023

(Expressed in New Taiwan Dollars)

	2024	2023
	Amounts	Amounts
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income before tax	8,998,389	16,091,997
Depreciation expense	-	78,233
	8,998,389	16,170,230
Decrease in Account receivable	19,896,612	15,271,558
Decrease (Increase) in Other receivable	2,218,926	(1,080,287)
Decrease (Increase) in Other current assets	332,304	(502,835)
Increase (Decrease) in Notes and Accounts Payable	677,737	(4,528,516)
Decrease in Notes and Accounts Payable-related parties	(24,994,367)	(18,559,848)
Decrease in Accrued expenses and Other payables	(227,469)	(1,070,133)
Decrease in Unearned receipts	(16,530)	(53,722)
Increase (Decrease) in Other current liabilities	598,846	(671,652)
Net cash from operating activities	7,484,448	4,974,795
Income taxes paid	(4,061,759)	-
Net cash from operating activities	3,422,689	4,974,795
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease Owners' current account	-	(8,095,945)
Net cash (used in) from financing activities	-	(8,095,945)
Net Increase (Decrease) in cash	3,422,689	(3,121,150)
Cash at beginning of the year	5,658,546	8,779,696
Cash at ending of the year	9,081,235	5,658,546

The accompanying notes are an integral part of the financial statements.

TVS SCS Taiwan Limited

Notes to Financial Statements

For the year ended March 31, 2024 and March 31, 2023
(Expressed in New Taiwan Dollars)

1. HISTORY AND ORGANIZATION

The company changed its name from Pan Asia Logistics Taiwan Ltd to TVS SCS Taiwan Limited on January 15, 2021. TVS SCS Taiwan Limited (the company) was registered under the provisions of the Company Law of the Republic of China (R.O.C) on November 9, 2010, As of March 31, 2024, the registered Capital was NT$7,500,000. The company engaged in the maritime and air transport.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is the summary of significant accounting policies consistently applied by management in the preparation of the accompanying financial statements.

A. Classification of current and non-current assets and liabilities

An asset shall be classified as current when it satisfies any of the following criteria:

1) it is expected to be realized in, or is intended for sale or consumption in, the entity's normal operating cycle;
2) it is held primarily for the purpose of being traded;
3) it is expected to be realized within twelve months after the balance sheet date.
4) it is cash or a cash equivalent unless it is restricted form being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

All other assets shall be classified as non-current.

A liability shall be classified as current when it satisfies any of the following criteria:

1) it is expected to be settled in the entity's normal operating cycle;
2) it is held primarily for the purpose of being traded;
3) it is due to be settled within twelve months after the balance sheet date; or
4) the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

All other liabilities shall be classified as non-current.

B. Property, plant and equipment

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Office Equipment	20%
Miscellaneous Equipment	20%

An asset is depreciated when it is available for use until it is derecognized even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognized in the income statement. The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent cost is recognized as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement when they are incurred.

C. Allowance for doubtful accounts

An allowance is made for doubtful trade accounts for estimated losses resulting from the subsequent inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. Management generally analyses trade accounts receivables and analyses historical bad debts, customer concentrations, customer creditworthiness, and changes in customer payment terms when evaluating the adequacy of the allowance for doubtful trade accounts. To the extent that it is feasible impairment and uncollectibility is determined individually for each item. In cases where that process is not feasible, a collective evaluation of impairment is performed. At the end of the reporting year, the trade receivables carrying amount approximates the fair value and the carrying amounts might change materially within the next financial year but these changes would not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year.

D. Cash and Cash Equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

E. Revenue recognition

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the year arising from the course of the ordinary activities of the entity and it is shown net of sales related taxes, estimated returns, discounts and volume rebates. Revenue from the sale of goods is recognized when significant risks and rewards of ownership are transferred to the buyer, there is neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the amount of revenue and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Revenue from rendering of services that are of short duration is recognized when the services are completed. Interest income is recognized using the effective interest method. Dividends on equity instrument are recognized in profit or loss when the entity's right to receive payment is established.

F. Foreign currency transactions

The functional currency is the New Taiwan dollars as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each balance sheet date, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the balance sheet and fair value dates respectively. All realized and unrealized exchange adjustment gains and losses are dealt with in the income statement except when deferred in equity as qualifying cash flow hedges. The presentation is in the functional currency.

G. Employee Benefits

The Labor Pension Act of R.O.C.(the "Act"), which adopts a defined contribution plan, became effective on July 1, 2005. The Company should make monthly contributions of no less than 6% of the employees' monthly wages to the employees' individual pension accounts.

Contributions made under a defined contribution plan are recognized as pension cost during the year in which employees render services.

H. Income taxes

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognized in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred income taxes are recognized as income or as an expense in profit or loss unless the tax relates to items that are recognized in the same or a different period outside profit or loss. For such items recognized outside profit or loss the current tax and deferred tax are recognized (a) in other comprehensive income if the tax is related to an item recognized in other comprehensive income and (b) directly in equity if the tax is related to an item recognized directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realized. A deferred tax amount is recognized for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). A deferred tax liability or asset is recognized for all taxable temporary differences associated with investments in subsidiaries and branches except where the company is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

3. ACCOUNTING CHANGES：None

4. Property, plant, and equipment

1) Year ended 31 March 2024

Cost	2023.03.31	Increase	Decrease	2024.03.31
Office Equipment	266,615	—	—	266,615
Miscellaneous Equipment	127,331	—	—	127,331
	393,946	—	—	393,946

Accumulated Depreciation	2023.03.31	Increase	Decrease	2024.03.31
Office Equipment	266,615	—	—	266,615
Miscellaneous Equipment	127,331	—	—	127,331
	393,946	—	—	393,946
	—			—

2) Year ended 31 March 2023

Cost	2022.03.31	Increase	Decrease	2023.03.31
Office Equipment	322,615	—	56,000	266,615
Miscellaneous Equipment	127,331	—	—	127,331
	449,946	—	56,000	393,946

Accumulated Depreciation	2022.03.31	Increase	Decrease	2023.03.31
Office Equipment	267,728	54,887	56,000	266,615
Miscellaneous Equipment	103,985	23,346	—	127,331
	371,713	78,233	56,000	393,946
	78,233			—

There is no impairment of assets in 2024 and 2023.

5. Other receivables

	2024.03.31	2023.03.31
Other receivables	1,465,455	3,684,381
	1,465,455	3,684,381

6. Cash and cash equivalents

	2024.03.31	2023.03.31
Petty cash	5,000	5,000
Bank deposits	9,076,235	5,653,546
	9,081,235	5,658,546

7. Accrued expenses and Other payables

	2024.03.31	2023.03.31
Salaries	813,925	1,657,073
Professional service	170,000	120,000
Other payablies	929,136	363,457
	1,913,061	2,140,530

8. Other current liabilities

	2024.03.31	2023.03.31
Other current liabilities	786,896	188,050
	786,896	188,050

9. Common Stock

As of March 31, 2023, the Company registered NTD 7,500,000.
The Company's Articles of Incorporation provide that, when allocating the net profits for each fiscal year, the Company shall first offset its losses in previous years and then set aside the following items accordingly:

a. Legal capital reserve at 10% of the profits left over, until the accumulated legal capital reserve equals the Company's paid-in capital;

b. If the Company has profit at year end, it shall first distribute at least 0.1 % of the profit before tax as employee bonus.

c. Any balance left over shall be allocated according to the resolution of the shareholders' meeting.

10. Income Tax

1) Taxable income as of 2024 and 2023 is computed as follows:

	2023.3.31 ~2024.3.31	2022.3.31 ~2023.3.31
Accounting Income before tax	8,998,389	16,091,997
Permanent differences	345,828	2,049,376
Temporary differences		
– Unrealized foreign exchange gain/loss —Previous period	2,571,399	(1,391,473)
– Unrealized foreign exchange gain/loss —current period	1,557,436	(2,571,399)
Total	13,473,052	14,178,501
Tax loss carryforward	-	(639,304)
Taxable income	13,473,052	13,539,197
Tax rate	20%	20%
Current income tax expense	2,694,610	2,707,839
Additional tax at 5% on undistributed earnings	329,423	—
Prepaid income tax	(1,353,920)	—
Income tax payable	1,670,113	2,707,839

2) The components of income tax in the years 2024 and 2023 were as follows:

	2023.3.31 ~2024.3.31	2022.3.31 ~2023.3.31
Current tax expense		
Current period	2,694,610	2,707,839
Additional tax at 5% on undistributed earnings	329,423	—
	3,024,033	2,707,839
Deferred tax expense		
Realized (unrealized) exchange loss	(311,487)	278,295
The carryforward of used (unused) tax losses	—	304,691
(Realized) unrealized exchange gain	(514,280)	514,280
	(825,767)	1,097,266
Income tax (benefit) expense	2,198,266	3,805,105

3) The components of deferred income tax assets were as follows:

	2023.3.31 ~2024.3.31	2022.3.31 ~2023.3.31
Deferred income tax assets	311,487	—
Deferred income tax liabilities	—	(514,280)
Net of deferred income tax	311,487	(514,280)

4) Assessment of tax

The Company's tax returns for the years through 2023 were assessed by the National Taxation Bureau.

11. Operating revenue

	2023.3.31 ~2024.3.31	2022.3.31 ~2023.3.31
Sales of services	129,980,470	300,277,933
	129,980,470	300,277,933

12. Operating cost

	2023.3.31 ~2024.3.31	2022.3.31 ~2023.3.31
Costs of services	97,764,490	258,835,969
	97,764,490	258,835,969

13. Operating expense

	2023.3.31 ~2024.3.31	2022.3.31 ~2023.3.31
Administrative expenses	19,788,138	19,565,021
	19,788,138	19,565,021

14. Other income

	2023.3.31 ~2024.3.31	2022.3.31 ~2023.3.31
Interest income	39,549	29,172
Other income	—	229,690
	39,549	258,862

15. Other expenses

	2023.3.31 ~2024.3.31	2022.3.31 ~2023.3.31
Interest Expense	24,417	88,499
Foreign exchange loss	1,961,418	3,922,432
Other expense	1,483,167	2,032,877
	3,469,002	6,043,808

16. Other information of the expenses

	2023.3.31 ~2024.3.31	2022.3.31 ~2023.3.31
Depreciation and amortization expenses	624,852	702,066
Personnel expenses:		
Salaries	10,041,029	9,606,411
Labor and health insurance	853,022	1,074,633
Pension	524,126	441,770
Other	—	—
	12,092,039	11,122,814

17. RELATED PARTY TRANSACTIONS AND BALNCES

1) Name and relationship of related parties:

Name of related parties	Relationship with the Company
TVS SCS SINGAPORE PTE. LTD.	An investee under the equity method of the Company.
TVS SCS Hong Kong Ltd.	Affiliated company
TVS SCS (KOREA) LTD.	Affiliated company
PT. PAN ASIA LOGISTICS INDONESIA	Affiliated company
PAN ASIA LOGISTICS MALAYSIA SDN BHD	Affiliated company
TRANSTAR INTERNATIONAL FREIGHT (SHANGHAI) LTD.GUANGZHOU BRANCH.	Affiliated company
TVS SCS LOGISTICS (THAILAND) LIMITED	Affiliated company
TVS SCS VIETNAM COMPANY LIMITED	Affiliated company
TVS SCS Deutschland GmbH	Affiliated company
TVS SCS LOGISTICS LTD	Affiliated company
TVS DYNAMIC GLOBAL FREIGHT SERVICES LIMITED	Affiliated company
TVS SCS International PTE LTD.	Affiliated company
TVS SCS INTERNATIONAL FREIGHT (SPAIN) SLU	Affiliated company
TVS SCS (AUST) PTY. LTD.	Affiliated company
TVS SCS NEW ZEALAND LIMITED	Affiliated company
TVS SUPPLY CHAIN SOLUTIONS PTE LTD	Affiliated company
TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	Affiliated company

PT. TVS SCS INDONESIA	Affiliated company
TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED	Affiliated company
TVS SCS RICO ITALIA SRL	Affiliated company
TVS LOGISTICS IBERIA SLU	Affiliated company

2) Significant transactions with related parties

a) Revenue

	2023.3.31 ~2024.3.31	2022.3.31 ~2023.3.31
TVS SCS SINGAPORE PTE. LTD.	19,971,799	16,919,537
Affiliated company	14,564,692	16,770,721
	34,536,491	33,690,258

b) Operating costs

	2023.3.31 ~2024.3.31	2022.3.31 ~2023.3.31
TVS SCS SINGAPORE PTE. LTD.	345,081	659,071
Affiliated company	75,712,559	183,498,151
	76,057,640	184,157,222

c) Accounts Receivable

	2024.3.31	2023.3.31
TVS SCS SINGAPORE PTE. LTD.	16,073,449	487,795
Affiliated company	8,647,818	2,254,595
	24,721,267	2,742,390

d) Notes and Accounts Payable

	2024.3.31	2023.3.31
TVS SCS SINGAPORE PTE. LTD.	22,745,516	45,048,579
Affiliated company	596,808	3,288,112
	23,342,324	48,336,691

18. COMMITMENTS

None.

19. SIGNIFICANT SUBSEQUENT EVENTS

None.

20. Other

None.

TVS SCS Vietnam Co., Ltd

FY 2023-24

No.

INDEPENDENT AUDITOR'S REPORT

To: The Chairman and the General Director of TVS SCS VIETNAM CO., LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TVS SCS VIETNAM CO., LTD (the Company), which comprise the statement of financial position as at 31 March 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statement in Vietnam, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the General Director for the Financial Statements

The General Director are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free form material misstatement, whether due to fraud or error. In preparing the financial statements, the General Director 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 have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

INDEPENDENT AUDITOR'S REPORT (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

Nguyen Thi Dieu
Deputy Director
Audit Practising Registration Certificate 0825-2023-252-1
For and on behalf of
Viet & Co Auditing Company Limited
An Independent Member of Morison Global
Ho Chi Minh City, June 24, 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2024

Currency: VND

	Notes	Current year	Previous year
Revenues from slae of goods and rendering of services	3	94.137.278.132	191.480.579.816
Cost of goods sold	5	(75.367.475.883)	(164.735.073.113)
Gross profit/(loss)		**18.769.802.249**	**26.745.506.703**
Finance income	4	1.962.924.743	1.133.554.914
Financial expenses	6	(4.140.127.878)	(1.389.350.069)
Marketing and distribution expenses	7	(625.251.173)	(854.957.258)
Administration expenses	8	(28.054.890.722)	(26.382.421.461)
Net operating profit/(loss)		**(12.087.542.781)**	**(747.667.171)**
Other income		181.085	15.485.021
Other expenses		(929.232.393)	(17.433.940)
Profits before tax		**(13.016.594.089)**	**(749.616.090)**
Current income tax expense	9	-	-
Deffered income tax		-	-
Profits for the period		**(13.016.594.089)**	**(749.616.090)**
Other comprehensive loss			
Foreign currency translation differences			
Total comprehensive profits for the period		**(13.016.594.089)**	**(749.616.090)**

The notes set out are an integral of these financial statements

NGUYEN KHANH NGUYEN
Chief Accountant

LE THIEN THU
General Director
June 24, 2024

STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

Currency: VND

Assets	Notes	Ending balance VND	Beginning balance VND
Non-current assets			
Property, plant and equipment	10	1.578.563.876	2.370.349.096
Deferred tax assets			
Other long-term assets	11	680.870.339	608.749.399
Total non-current assets		**2.259.434.215**	**2.979.098.495**
Current assets			
Inventory		262.799.981	2.424.509.142
Trade and other receivables	12	18.110.452.149	15.265.616.298
Provision for bad debts	13	(11.236.425)	(11.236.425)
Prepayment to suppliers		19.105.084	1.256.939.919
Internal trade and other receivales	14	6.278.264.602	213.516.540
Advances to employees		2.036.084.373	1.288.774.549
Tax receivables		1.356.880.028	1.146.000.000
Cash and bank balances	15	36.915.387.674	31.162.062.752
Total current assets		**64.967.737.466**	**52.746.182.775**
Total assets		**67.227.171.681**	**55.725.281.269**

STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

Currency: VND

Assets	**Notes**	**Ending balance VND**	**Beginning balance VND**

Equity and liabilities	**Notes**	**Ending balance VND**	**Beginning balance VND**
Capital and reserves			
Paid up capital		3.600.000.000	3.600.000.000
Accumulated profit/(loss)		(10.551.404.974)	2.465.189.115
Total equity		**(6.951.404.974)**	**6.065.189.115**
Current liabilities			
Trade payables	16	68.322.135.513	44.266.306.409
Lease liabilities	17	1.066.658.999	1.452.297.037
Tax liabilities	18	183.969.515	259.302.857
Accrued expenses	19	682.984.922	1.245.248.733
Advance from customers		912.945.094	1.308.630.004
Other liabilities	20	3.009.882.613	1.128.307.114
Total current liabilities		**74.178.576.656**	**49.660.092.154**
Total liabilities		**74.178.576.656**	**49.660.092.154**
Total equity and liabilities		**67.227.171.681**	**55.725.281.269**

The notes set out are an integral of these financial statements

NGUYEN KHANH NGUYEN
Chief Accountant

LE THIEN THU
General Director
June 24, 2024

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2024

Currency: VND

	Legal capital	Accumulated profit	Total
	VND	**VND**	**VND**
Balance at 01 April 2022	**3.600.000.000**	**3.214.805.204**	**6.814.805.204**
Capital contribution	-	-	
Profit/(loss) For the year	-	(749.616.090)	**(749.616.090)**
Other decreases	-	-	-
Balance at 01 April 2023	**3.600.000.000**	**2.465.189.115**	**6.065.189.115**
Capital contribution		-	-
Profit/(loss) For the year	-	(13.016.594.089)	(13.016.594.089)
Other decreases		-	-
Balance at 31 March 2024	**3.600.000.000**	**(10.551.404.974)**	**(6.951.404.974)**

The notes set out are an integral of these financial statements

NGUYEN KHANH NGUYEN
Chief Accountant

LE THIEN THU
General Director
June 24, 2024

CASH FLOW STATEMENT

For the year ended 31 March 2024

Currency: VND

ITEMS	Notes	Current year	Previous year
I. Cash flows from operating activities			
1. Net profit (loss) before tax		**(13.016.594.089)**	**(749.616.090)**
2. Adjustments for		-	-
- Depreciation and amortisation		2.051.275.775	2.295.815.761
- Provisions		-	(818.196.430)
- Unrealised foreign exchange (gains) losses		(82.552.913)	860.913.666
- (Profits) losses from investing activities		(437.475.296)	(106.432.130)
- Interest expense		87.998.907	191.771.670
3. Operating income (loss) before changes in working capital		***(11.397.347.616)***	***1.674.256.447***
- (Increase) decrease in receivables		(8.677.952.986)	2.694.141.679
- (Increase) decrease in inventories		2.161.709.161	(2.159.383.827)
- Increase (decrease) in payables		24.857.305.344	18.750.400.398
- (Increase) decrease in prepaid expenses		29.254.932	(84.672.497)
- Enterprise income tax paid		-	(170.233.742)
Net cash flows from (used in) operating activities		***6.972.968.835***	***20.704.508.458***
II. Cash flows from investing activities			
Purchase Management tool, equipments & computer softwares		-	(871.338.818)
Payments for lease		(1.733.127.500)	(2.093.210.000)
Interest and dividends received		437.475.296	106.432.130
Net cash flows from (used in) investing activities		***(1.295.652.204)***	***(2.858.116.688)***
III. Cash flows from financing activities			
Borrowings repaid		-	-
Net cash flows from (used in) financing activities		-	-
Net increase (decrease) in cash and cash equivalents		**5.677.316.631**	**17.846.391.770**
Cash and cash equivalents at beginning of period		**31.162.062.752**	**13.729.817.599**
Impact of exchange rate fluctuation		76.008.291	(414.146.617)
Cash and cash equivalents at end of period		**36.915.387.674**	**31.162.062.752**

The notes set out are an integral of these financial statements

NGUYEN KHANH NGUYEN
Chief Accountant

LE THIEN THU
General Director
June 24, 2024

NOTES TO THE FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

1. GENERAL INFORMATION

TVS SCS Vietnam Co., LTD was incorporated in Vietnam, according to the 3rd adjustment Investment License dated August 11, 2014 No. 411022000754 and investment Certificate project code No. 2137426356 on February 6, 2018 and the second adjustment license granted on November 19,2021 issued by Ho Chi Minh City People's Committee; and the 9th business registration license dated September 15, 2023 No. 0309421229 issued by Ho Chi Minh City Department of Planning and Investment.

The contributing members of the company include:

	Legal capital VND	Ratio (%)	Nationality
TVS SCS Singapore Pte. Ltd.	3,420,000,000	95	Singapore
Mr. Le Thien Thu	180,000,000	5	Vietnam
Total	**3,600,000,000**	**100**	

The principal activities of the Company are services freight agents, customs clearance services by air and sea, warehousing services, consulting services for logistics operations.

The number of employees as at 31 March 2024 was 38 (31 March 2023: 41).

The Company’s head office are located at No. 172 Hai Ba Trung Street, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basic of preparation

The financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards.

Statement of compliance

The financial statements, expressed in Vietnamese Dong (“VND”), have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations as adopted by the International Accounting Standards Board (IASB).

NOTES TO THE FINANCIAL STATEMENTS
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year, except that in the current financial year, the Company has adopted IFRS 16 Leases described below.

IFRS 16 Leases

IFRS 16 supersedes ISA 17 Leases (and related Interpretations) and is effective from 1 January 2019. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the statement of financial position.

The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application as an adjustment to the opening balance of retained earnings.

The effect of adopting IFRS 16 as at 01 April 2019 was as follows:

Right of use assets	VND 1,918,778,647
Lease Liability	VND 1,995,433,970
Retained earnings	VND (76,655,323)

The Company has lease contracts for office buildings and motor vehicles. Before the adoption of IFRS 16, the Company classified each of its leases (as lessee) at the inception date as an operating lease. Upon adoption of IFRS 16, the Company applied a single recognition and measurement approach for lease contracts for offices and motor vehicles. The accounting policy beginning on and after 01 April 2019 is disclosed in Note Leases.

Leases previously accounted for as operating leases

The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, including lease contracts for offices and motor vehicles. The right-of-use assets for the leases were recognised based on the carrying amount as if the standard had always been applied, using the incremental borrowing rate at the date of initial application. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

Estimates and judgments

The preparation of consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. 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 any future periods affected.

Revenue recognition

Revenue represents the fair value of consideration received or receivable for the sale of goods and services in the course of the company's activities. It is recognised when it is probable that future economic benefits will flow to the company and the amount of revenue can be measured reliably. It is stated net of Value Added Tax, rebates and trade discounts.

Sale of goods are recognised upon the delivery of the product and customer acceptance, while sale of services are recognised upon performance of the service and customer acceptance based on the proportion of actual service rendered to the total services to be provided.

Interest income is recognised on a time proportion basis using the effective interest method.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange prevailing on the reporting date. The resulting foreign exchange gains and losses from the settlement of such transactions and from year-end translation are recognised on a net basis in the profit and loss account in the year in which they arise, except for differences arising on translation of non-monetary available-for-sale financial assets, which are recognised in other comprehensive income.

Borrowing costs

All other borrowing costs are recognized in the statement of profit or loss when incurred.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in bank and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Receivables and other assets

Receivables and other assets that have fixed or determinable payments that are not quoted in an active market are classified as receivables.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw material, direct labour, other direct costs, variable production overheads and an allocation of fixed production overheads based on normal operating capacity, but exclude borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Leases

These accounting policies are applied on and after the initial application date of IFRS 16:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the Contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, including the lease contracts for office and motor vehicles. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straightline basis over the shorter of the lease term and the estimated useful lives of the assets.

The Company's right-of-use assets are presented in property, plant and equipment (Note 9).

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

NOTES TO THE FINANCIAL STATEMENTS
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

The Company's lease liabilities are presented in lease (Note 16).

These accounting policies are applied before the initial application date of IFRS 16:

Leases of assets where a significant proportion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the profit and loss account on a straight line basis over the lease period. Prepaid operating lease rentals are recognised as assets and are subsequently amortised over the lease period.

Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure directly attributable to the acquisition of the assets. Computer software, including the operating system, that is an integral part of the related hardware is capitalised as part of the computer equipment.

All repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

Depreciation is calculated using the straight-line method to allocate their cost over their estimated useful lives.

Accounts payable and accruals

Liabilities are recoginised for amount to be paid in the future for goods or services received, whether billed by the party or not.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Events after the reporting date

The financial statements are adjusted to reflect events that occurred between the reporting date and the date when the financial statements are authorised for issue, provided they give evidence of conditions that existed at the reporting date.

3. Revenues

	Current year	Previous year
Revenues from sale of goods and rendering of services		
	94.137.278.132	**191.480.579.816**
In which		
Revenue from agency services freight by sea	31.381.019.846	119.395.417.056
Revenue from agency services freight by air	33.317.084.048	41.522.669.016
Others	29.439.174.238	30.562.493.744

4. Financial income

	Current year	Previous year
Interest income	437.475.296	106.432.130
Gain from realised foreign exchange rate	1.377.583.863	1.021.086.231
Gain from unrealised foreign exchange rate	147.865.584	6.036.553
Total	**1.962.924.743**	**1.133.554.914**

5. Cost of goods sold

	Current year	Previous year
Cost from agency services freight by sea	23.666.573.869	106.038.187.173
Cost from agency services freight by air	29.209.348.212	34.947.791.815
Others	22.491.553.802	23.749.094.125
Total	**75.367.475.883**	**164.735.073.113**

6. Financial expenses

	Current year	Previous year
Interest expense	87.998.907	191.771.670
Loss from realised foreign exchange rate	3.986.816.300	330.628.180
Loss from unrealised foreign exchange rate	65.312.671	866.950.219
Total	**4.140.127.878**	**1.389.350.069**

7. Selling expenses

	Current year	Previous year
Expenses for external services	185.382.995	340.276.813
Other expenses	439.868.178	514.680.445
Total	**625.251.173**	**854.957.258**

8. General & administration expenses

	Current year	Previous year
Labour costs	16.350.806.647	16.648.676.913
Tools and supplies costs	79.242.913	137.909.519
Depreciation expenses	2.051.275.775	2.304.731.093
Fee expenses	1.650.784.680	3.000.000
Provision costs	-	(818.196.430)
Expenses for external services	3.158.073.019	2.106.552.275
Management service fees	4.623.403.197	5.912.599.332
Other expenses	141.304.491	87.148.759
Total	**28.054.890.722**	**26.382.421.461**

9. Enterprise Income Tax (EIT) and profits after tax payables

	Current year	Previous year
Total accounting profits before tax	**(13.016.594.089)**	**(749.616.090)**
Adjusted increases or decreases in accounting profits to determine EIT taxable profits		
Adjustment	*840.515.709*	*728.808.376*
Non-deductible expenses	929.228.052	238.703.031
Difference on IFRS (lease) and VAS	(88.712.343)	50.516.428
Unrealised foreign exchange loss	-	439.588.917
Adjusted decreases	*568.959.024*	*342.992.060*
Unrealised foreign exchange gain	129.370.107	-
Realised foreign exchange gain previous year	439.588.917	342.992.060
Total taxable income	(12.745.037.404)	(363.799.774)
Loss carried forward from previous years	-	-
Total taxable income	(12.745.037.404)	(363.799.774)
EIT payables	-	-
Profits after EIT	**(13.016.594.089)**	**(749.616.090)**

10. Property, plant and equipment

	Right of use assets (warehouse, office buildings)	Right of use assets (Motor Vehicle)	Tools, equipment & computer softwares	Total
Cost				
At 01 April 2023	8.849.721.840	2.221.952.128	4.185.802.309	**15.257.476.278**
Addition	1.259.490.555	-	-	**1.259.490.555**
Disposals				-
At 31 March 2024	10.109.212.396	2.221.952.128	4.185.802.309	**16.516.966.833**
Accumulated depreciation				
At 01 April 2023	7.905.609.661	1.824.714.979	3.156.802.542	**12.887.127.182**
Depreciation	1.159.179.100	397.237.150	494.859.525	**2.051.275.775**
Disposals				**-**
At 31 March 2024	9.064.788.761	2.221.952.128	3.651.662.067	**14.938.402.957**
Carrying amount				
At 01 April 2023	944.112.179	397.237.150	1.028.999.767	**2.370.349.096**
At 31 March 2024	1.044.423.634	-	534.140.242	**1.578.563.876**

11. Other long-term assets

	Ending balance	Beginning balance
Deposit for rent office at Ho Chi Minh City	381.200.940	346.080.000
Deposit for rent office at Ha Noi City	153.219.399	153.219.399
Deposit for rent office at Hai Phong City	10.000.000	10.000.000
Deposit taxi Mai Linh	10.000.000	10.000.000
Others	126.450.000	89.450.000
Ending balance	**680.870.339**	**608.749.399**

12. Trade and other receivables

	Ending balance	Beginning balance
Trade receivables	**17.317.570.147**	**14.701.873.585**
Daeho Steel Viet Nam Co., Ltd	194.458.147	430.661.000
Dorco Vina Co., Ltd and Dorco Vina Co Ltd – Ha Nam Branch	1.152.246.396	938.086.845
Vinh Tuong Industrial JSC	845.713.752	-
Dorco Living Vina Co Ltd	887.995.886	479.799.095
Diebold Nixdorf Vietnam Co. Ltd	268.088.548	401.971.009
Us Technology Mfg Ltd	286.297.690	153.050.428
Innomotics Co., Ltd	498.395.928	18.939.565
Tan My Co Ltd	178.804.693	80.438.819
Festo Vietnam Co., Ltd	77.735.794	231.492.000
Siemens Co., Ltd - Binh Duong Branch	2.475.410.660	2.262.415.117
Siemens Co., Ltd	4.564.177.404	6.232.785.213
Siemens Energy Co., Ltd	1.857.350.395	4.594.081
Rifline Italy S.P.A	20.840.952	428.794.793
Infac Vina Co Ltd	810.676.279	-
Dystar China Ltd.	1.174.701.821	645.928.192
Other customers	2.024.675.802	2.392.917.428
Other receivables	**588.162.051**	**329.767.830**
Prepaid expenses	**204.719.951**	**233.974.883**
Total	**18.110.452.149**	**15.265.616.298**

13. Provision for bad debts

	Ending balance	Beginning balance
Inter Trans Pvt Ltd	11.236.425	11.236.425
Total	**11.236.425**	**11.236.425**

14. Internal trade and other receivales

	Ending balance	Beginning balance
PT. TVS SCS Indonesia	49.317.186	-
TVS SCS Malaysia Sdn Bhd	12.316.890	64.075
TVS SCS Singapore Pte. Ltd.	152.259.244	113.620.586
TVS SCS (Aust) Pty. Ltd.	259.317.683	34.134.500
TVS SCS (Korea) LTD.	1.006.262.392	-
TVS SCS International Freight (Spain), S.L.U.	58.351.888	5.591.767
TVS SCS Logistics (Thailand) Limited	38.077.155	11.172.350
TVS SCS Deutschland Gmbh	241.607.067	42.759.228
TVS SCS New Zealand Limited	1.901.723.637	932.000
TVS SCS Global Freight Solutions Limited	50.321.097	5.242.034
Profit share receivables	2.508.710.363	-
Sea Freight Export shipments	*1.550.228.673*	-
Sea Freight Import shipments	*860.924.326*	-
Accrued VAT payable for net profit share	*97.557.364*	-
Total	**6.278.264.602**	**213.516.540**

15. Cash and cash equivalents

	Ending balance	Beginning balance
Cash on hand	46.765.734	275.332.674
Cash in bank	36.868.621.940	30.886.730.078
Total	**36.915.387.674**	**31.162.062.752**

16. Trade payables

	Ending balance	Beginning balance
TVS Supply Chain Solutions PTE LTD	11.990.952.018	5.929.292.134
TVS SCS New Zealand Limited	-	1.355.773.220
TVS SCS International Pte Ltd	208.478.358	197.137.024
TVS SCS Deutschland Gmbh	9.930.111.388	1.572.792.548
Xuan Hieu Trading and Transport Investment JSC	217.512.000	-
Cargomind (Slovakia) S.R.O	173.136.438	-
Vinalink Logistics JSC	420.120.454	653.886.998
Nguyen Quyet Co Ltd	583.653.600	300.690.500
Container B.N Co Ltd	1.664.300.520	966.317.990
TVS SCS Malaysia Sdn Bhd	142.204.254	-
TVS SCS Singapore Pte Ltd	39.270.741.981	30.026.637.418
Tan Cang Warehousing JSC	405.374.927	992.120.568
Interchains JSC	1.778.268.214	605.095.368
Other suppliers	1.537.281.360	1.666.562.641
Total	**68.322.135.513**	**44.266.306.409**

17. Leases

The Company has lease contracts for office buildings and car, lease duration are one year and can be extended.

a. **Carrying amounts of right-of-use assets:** are disclosed in property, plant and equipment in Note 9.

b. **Lease liabilities**	Office building	Motor Vehicle	Total
Opening Balance	1.037.769.815	414.527.226	1.452.297.039
Interest Expense	70.526.129	17.472.778	87.998.907
Lease Payments	(1.301.127.500)	(432.000.000)	(1.733.127.500)
Additions during the year	1.259.490.555	-	1.259.490.555
Deletions during the year		(4)	(4)
Ending Balance	**1.066.658.999**	**(0)**	**1.066.658.999**

c. **Maturity analysis of lease liabiltites**

Contractual cash flows	Ending balance	Beginning balance
On demand or within one year	506.610.000	1.493.252.500
In the second year	436.785.000	-
In the third to fifth year inclusive	241.010.000	-

18. Taxes and statutory obligations

	Ending balance	Beginning balance
Value-added tax payabes	-	144.138.221
Enterprise Income Tax	-	-
Personal Income Tax payables	183.969.515	115.164.636
Total	**183.969.515**	**259.302.857**

19. Accrued expenses

	Ending balance	Beginning balance
Accrued for work in progress	270.895.922	763.462.859
Service fees and other	84.000.000	481.785.874
Accrued bonus for employees	328.089.000	-
Total	**682.984.922**	**1.245.248.733**

20. Other payables

	Ending balance	Beginning balance
Trade Union expenditure	679.958.160	489.549.784
VAT and CIT tax payable by contractors	1.138.238.500	638.757.269
Profit share payables	1.191.685.949	-
Air Freight Import shipments	*867.774.421*	-
Air Freight Export shipments	*323.911.528*	-
Others	4	61
Total	**3.009.882.613**	**1.128.307.114**

21. Related party transactions and balances

During the year, the Company entered into the following significant transactions with its related parties:

List of related parties:

Related parties	Relationship
TVS SCS Singapore Pte. Ltd.	Investor
TVS SCS Taiwan Limited	Affiliate
TVS SCS Malaysia Sdn Bhd	Affiliate
TVS SCS (Korea) Ltd.	Affiliate
TVS SCS Logistics (Thailand) Limited	Affiliate
TVS SCS Deutschland GmbH	Affiliate
TVS SCS Hong Kong Ltd.	Affiliate
TVS SCS International Pte. Ltd.	Affiliate
PT. TVS SCS Indonesia	Affiliate
TVS SCS (Aust) Pty. Ltd.	Affiliate
TVS Supply Chain Solutions Pte Ltd	Affiliate
TVS SCS Global Freight Solutions Limited	Affiliate
TVS SCS International Freight (Spain), S.L.U	Affiliate
TVS SCS Logistics Guangzhou Branch	Affiliate
TVS SCS Logistics Ltd	Affiliate

TVS SCS Logistics Beijing Branch	Affiliate
TVS SCS New Zealand Limited	Affiliate
TVS SCS Rico Italia SRL	Affiliate
Mr. Le Thien Thu	General Director

	Current year	Previous year
Sales	**5.418.146.106**	**13.896.809.492**
TVS SCS Singapore Pte. Ltd.	246.051.013	1.156.962.678
TVS SCS Malaysia Sdn Bhd	12.241.460	8.762.079
TVS SCS (Korea) Ltd.	998.702.740	-
PT. TVS SCS Indonesia	48.994.340	2.937.832.515
TVS SCS Logistics (Thailand) Limited	102.212.937	477.811.163
TVS SCS Deutschland GmbH	325.053.950	1.425.507.835
TVS SCS International Freight (Spain), S.L.U	397.317.773	179.701.803
TVS SCS Logistics Guangzhou Branch	13.021.367	-
TVS SCS Global Freight Solutions Limited	323.883.555	34.889.055
TVS SCS (Aust) Pty. Ltd.	596.651.761	7.391.384.607
TVS SCS Logistics Ltd	8.804.731	110.285.403
TVS SCS Logistics Beijing Branch	8.410.292	10.395.579
TVS SCS New Zealand Limited	2.336.800.187	162.470.200
TVS SCS Rico Italia SRL	-	806.575
Purchases	**30.150.646.567**	**31.936.134.009**
TVS SCS Singapore Pte. Ltd.	7.896.033.700	2.046.722.251
TVS SCS Malaysia Sdn Bhd	117.928.261	162.247.052
TVS SCS Taiwan Limited	16.124.157	24.742.672
TVS SCS Logistics (Thailand) Limited	13.293.764	176.480.638
TVS SCS (Korea) Ltd.	58.122.435	75.906.014
PT. TVS SCS Indonesia	35.319.790	-
TVS SCS Deutschland GmbH	16.259.698.194	18.755.813.047
TVS Supply Chain Solutions Pte Ltd	4.319.902.847	-
TVS SCS Global Freight Solutions Limited	26.331.861	351.923.714
TVS SCS (Aust) Pty. Ltd.	644.974.956	(39.177.580)
TVS SCS Logistics Ltd	127.131.720	530.903.110
TVS SCS Logistics Guangzhou Branch	127.318.687	59.368.924
TVS SCS Logistics Beijing Branch	6.882.282	105.430.658
TVS SCS New Zealand Limited	462.281.463	9.658.999.953
TVS SCS Rico Italia SRL	39.302.450	26.773.556
Management service fees		
TVS Supply Chain Solutions Pte Ltd	4.623.403.197	5.912.599.332

Net Profit Share - Intercompany Providing of Services		
Net Profit Share - income		
TVS Supply Chain Solutions Pte Ltd	1.219.467.049	-
Net profit share - expense		
TVS SCS Deutschland GmbH	-	587.018.032

Related parties balances as at the balance sheet date were as follows:

	Ending balance	Beginning balance
Receivables	**3.769.554.239**	**213.516.540**
TVS SCS Singapore Pte. Ltd.	152.259.244	113.620.586
TVS SCS Malaysia Sdn Bhd	12.316.890	64.075
TVS SCS (Korea) Ltd.	1.006.262.392	-
TVS SCS (Aust) Pty. Ltd.	259.317.683	34.134.500
PT. TVS SCS Indonesia	49.317.186	-
TVS SCS Logistics (Thailand) Limited	38.077.155	11.172.350
TVS SCS Deutschland GmbH	241.607.067	42.759.228
TVS SCS International Freight (Spain), S.L.U	58.351.888	5.591.767
TVS SCS New Zealand Limited	1.901.723.637	932.000
TVS SCS Global Freight Solutions Limited	50.321.097	5.242.034
Payables	**61.891.657.244**	**40.624.405.916**
TVS SCS Singapore Pte. Ltd.	39.270.741.981	30.026.637.418
TVS SCS Taiwan Limited	6.686.950	-
TVS SCS New Zealand Limited	-	1.355.773.220
TVS SCS Logistics (Thailand) Limited	-	1.048.500
TVS SCS (Korea) Ltd.	108.075.998	44.468.516
TVS SCS Malaysia Sdn Bhd	142.204.254	-
TVS SCS International Pte. Ltd.	208.478.358	197.137.024
TVS SCS Deutschland GmbH	9.930.111.388	1.572.792.548
TVS Supply Chain Solutions Pte Ltd	11.990.952.018	7.166.983.069
TVS SCS Global Freight Solutions Limited	45.814.911	252.234.383
TVS SCS Logistics Ltd	27.596.131	-
TVS SCS Rico Italia SRL	6.934.132	7.331.239
TVS SCS Logistics Guangzhou Branch	17.254.316	-
PT. TVS SCS Indonesia	18.958.433	-
TVS SCS (Aust) Pty. Ltd.	117.848.373	-

Board of Management's remuneration and borrowings

Remuneration paid to the Company's Board of Managements during the year was as follows:

		Current year	Previous year
Mr. Le Thien Thu	Salaries and bonus	1.714.869.136	1.807.770.939

22. Exchange rates:

Exchange rates used in the audited financial statements are: 23,300 VND/USD on 31 March, 2023 and 24,600 VND/USD on 31 March, 2024.

NGUYEN KHANH NGUYEN
Chief Accountant

LE THIEN THU
General Director
June 24, 2024

TVS Supply Chain Solutions Australia Holdings Pty. Ltd

FY 2023-24

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of TVS Supply Chain Solutions Australia Holdings Pty. Ltd., we state that:

In the opinion of the directors:

(a) The financial statements and notes of TVS Supply Chain Solutions Australia Holdings Pty. Ltd. for the financial year ended 31 March 2024 are in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the consolidated entity's financial position as at 31 March 2024 and its performance for the year ended on that date; and

  (ii) complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*;

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Director: ______________________________
James Payne

Director: ______________________________
Vittorio Favati

Dated this 27th of May 2024

Deloitte Touche Tohmatsu
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Melbourne VIC 3000
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27 May 2024

The Board of Directors
TVS Supply Chain Solutions Australia Holdings Pty Limited
2 Northern Avenue
Moorabbin Airport VIC 3194

Dear Board Members

Auditor's Independence Declaration to TVS Supply Chain Solutions Australia Holdings Pty Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of TVS Supply Chain Solutions Australia Holdings Pty Limited.

As lead audit partner for the audit of the financial report of TVS Supply Chain Solutions Australia Holdings Pty Limited for the year ended 31 March 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

DELOITTE TOUCHE TOHMATSU

Chetan Vaghela
Partner
Chartered Accountants

Deloitte.

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Independent Auditor's Report to the Members of TVS Supply Chain Solutions Australia Holdings Pty Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of TVS Supply Chain Solutions Australia Holdings Pty Limited ("the Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 31 March 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 31 March 2024 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001.*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the director's report for the year ended 31 March 2024, but does not include the financial report and our auditor's report thereon.

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

Other Information (continued)

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors 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 the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Deloitte.

Auditor's Responsibilities for the Audit of the Financial Report (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents 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 financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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.

DELOITTE TOUCHE TOHMATSU

Chetan Vaghela
Partner
Chartered Accountants

Melbourne, 27 May 2024

TVS Supply Chain Solutions Australia Holdings Pty. Ltd.

CONSOLIDATED STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024

The Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

	Notes	2024	2023
		$'000	**$'000**
Revenue		80,205	176,788
Cost of sales		(63,031)	(149,309)
Gross profit		**17,174**	**27,479**
Other income		9	599
Depreciation and amortisation expenses		(3,496)	(3,430)
Administrative expenses	5	(8,280)	(9,868)
Foreign exchange (loss)/gain		(343)	336
Other operating expenses	6	(7,057)	(6,443)
Operating (loss)/profit		**(1,993)**	**8,673**
Finance costs		(16)	(16)
Finance income		82	28
(Loss)/profit before income tax		**(1,927)**	**8,685**
Income tax expense	7	(471)	(2,883)
Net (loss)/profit for the financial year		**(2,398)**	**5,802**
Other comprehensive income:			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(168)	116
Total comprehensive (loss)/income for the year, net of tax		**(2,566)**	**5,918**
Loss/profit attributable to:			
Equity holders of the parent		(2,398)	5,802
Non-controlling interests		-	-
		(2,398)	**5,802**
Total comprehensive income attributable to:			
Equity holders of the parent		(2,566)	5,918
Non-controlling interests		-	-
		(2,566)	**5,918**

TVS Supply Chain Solutions Australia Holdings Pty. Ltd.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

The Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

	Notes	2024 $'000	2023 $'000
Assets			
Current assets			
Cash and cash equivalents	8	9,914	14,324
Trade and other receivables	9	10,407	13,395
Work in progress	10	479	186
Other current assets	11	3,220	975
Total current assets		**24,020**	**28,880**
Non-current assets			
Right-of-use assets	17	5,114	3,362
Property, plant & equipment	12	846	758
Intangible assets	13	8,509	8,993
Other non-current		-	15
Deferred tax assets	7	639	693
Total non-current assets		**15,108**	**13,821**
Total assets		**39,128**	**42,701**
Liabilities and equity			
Current liabilities			
Trade and other payables	14	12,134	14,305
Forward liability		-	613
Lease liability	18	2,620	2,121
Provisions	15	1,117	1,177
Finance lease		88	101
Total current liabilities		**15,959**	**18,317**
Non-current liabilities			
Provisions	15	103	155
Lease liability	18	2,627	1,395
Finance lease		-	90
Deferred tax liabilities	7	-	368
Total non-current liabilities		**2,730**	**2,008**
Total liabilities		**18,689**	**20,325**
Net assets		**20,439**	**22,376**

TVS Supply Chain Solutions Australia Holdings Pty. Ltd.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024 (CONTINUED)

The Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

	Notes	2024 $'000	2023 $'000
Equity			
Contributed equity	16	24,632	18,632
Reserves	24	(5,933)	(394)
Accumulated gains/(losses)		1,740	4,138
Equity attributable to equity holders of the parent		**20,439**	**22,376**
Total equity		**20,439**	**22,376**

TVS Supply Chain Solutions Australia Holdings Pty. Ltd.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

The Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

	Note	Contributed equity	Retained earnings / (Accumulated Losses)	Foreign currency translation reserve	Other equity	Total	Total Equity
		$'000	$'000	$'000	$'000	$'000	$'000
As at 1 April 2022		**12,632**	**(1,664)**	**(510)**		**10,458**	**10,458**
Profit for the year, net of tax		-	5,802	-	-	5,802	5,802
Other comprehensive income, net of tax		-	-	116	-	116	116
Total comprehensive income, net of tax		-	5,802	116	-	5,918	5,918
Issue of ordinary shares		6,000	-	-	-	6,000	6,000
As at 31 March 2023		**18,632**	**4,138**	**(394)**	**-**	**22,376**	**22,376**
As at 1 April 2023		**18,632**	**4,138**	**(394)**	**-**	**22,376**	**22,376**
Loss for the year, net of tax		-	(2,398)	-	-	(2,398)	(2,398)
Other comprehensive loss, net of tax		-	-	(168)	-	(168)	(168)
Total comprehensive (loss), net of tax		-	(2,398)	(168)	-	(2,566)	(2,566)
Adjustment arising from change in non-controlling interests	24	-	-	-	(5,371)	(5,371)	(5,371)
Issue of ordinary shares		6,000	-	-	-	6,000	6,000
At 31 March 2024		**24,632**	**1,740**	**(562)**	**(5,371)**	**20,439**	**20,439**

TVS Supply Chain Solutions Australia Holdings Pty. Ltd.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

The Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

	2024	2023
	$'000	$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	119,491	248,981
Payment to suppliers and employees	(110,059)	(232,325)
Interest received	60	28
Interest paid	(201)	(574)
Income tax paid	(2,362)	(1,169)
Net cash flows from operating activities	**929**	**14,941**
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for settlement of non-controlling interest acquisition	(6,000)	-
Purchase of property, plant and equipment	(499)	(160)
Net cash flows used in investing activities	**(6,499)**	**(160)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans to related entities	(2,000)	-
Repayment of loan	-	(11,068)
Repayment of lease liability	(2,840)	(2,662)
Share capital issued	6,000	-
Net cash flows used in financing activities	**1,160**	**(13,730)**
Net (decrease)/increase in cash and cash equivalents	(4,410)	1,051
Cash and cash equivalents at beginning of financial year	**14,324**	**13,273**
Cash and cash equivalents at end of financial year	**9,914**	**14,324**

1. Corporate information

The consolidated financial statements of TVS Supply Chain Solutions Australia Holdings Pty. Ltd. (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31 March 2024 were authorised for issue in accordance with a resolution of the directors on 24th May 2024.

The Company is a for profit company limited by shares, incorporated and domiciled in Australia. The direct parent is TVS Supply Chain Solutions Pte Ltd incorporated in Singapore and the ultimate parent is TV Sundaram Iyengar & Sons Limited incorporated in India.

Further information on the nature of the operations and principal activities of the Group is provided in directors' report. Information on the Group's structure and other related party relationships is provided in Note 4.

2. Significant accounting policies

Statement of compliance

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards- Simplified Disclosures and other authoritative pronouncements of the Australian Accounting Standards Board.

The Company is a for-profit, private sector entity which is not publicly accountable. Therefore, the financial report for the Company is general purpose financial report which have been prepared in accordance with Australian Accounting Standards-simplified Disclosures.

The financial report has been prepared on a historical cost basis unless otherwise stated in the notes. The financial report is presented in Australian dollars and all values are rounded to the nearest thousand ($'000) except when otherwise indicated.

The consolidated financial statements provide comparative information in respect of the previous period.

New and amended standards adopted by the Group

The Group has applied the following new or revised accounting standards which were effective in the most recent financial year and has determined that they did not have a material impact on the financial report.

- Amendment AASB 2021-5- Deferred Tax related to Assets and Liabilities arising from a Single Transaction. Clarifies Accounting for Deferred Tax on Transactions which require the recognition of both assets and liabilities.
- Amendment AASB 2021-6- Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards. Amendments to AASB7, AASB 101, AASB 134 and AASB Practice Statement 2. Requires reference to material rather than significant accounting policies and guidance of material in this context.
- Amendment AASB 2022-7- Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards. Amends AASB 7, AASB 116, AASB 124, AASB 128, AASB 134 and AASB 1054 by making minor editorial corrections and repeals redundant versions not previously repleaded when replaced.
- Amendment AASB 2023-4- International Tax Reform-Pillar Two Model Rules: Tier 2 Disclosures, Temporary mandatory exception to requirements to recognize and disclose information about DTAs and DTLs related to Pillar Two income taxes.

New and amended standards adopted by the Group (continued)

The Group has not early adopted any of the new and revised Accounting Standards which have been issued but are not yet effective. The directors do not expect that the adoption of these will have a material impact onto the financial report of the company when implemented in future periods

• Amendment AASB 2020-1 1 January 2024- Classification of Liabilities as Current or Non-current. Clarifies current and non-current liabilities, defers effective date to 1 January 2024 and aligns AASB 1060 with AASB 101.

Going concern

The consolidated financial statements are prepared on the going concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities and commitments in the normal course of business. As such, the directors believe the Group will be able to pay its debts as and when they become payable and that it is appropriate for the financial statements to be prepared on the going concern basis.

2.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

2.2 Basis of consolidation (continued)

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.2 Summary of significant accounting policies

a. Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of AASB 139 Financial Instruments: Recognition and Measurement, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with AASB 139. Other contingent consideration that is not within the scope of AASB 139 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed).

a. Business combination and goodwill (continued)

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Accounting for put/forward obligation to acquire non-controlling interests (NCI)

When the Group does not have a present ownership interest over NCI of the subsidiary, the carrying amount of NCI is adjusted for its share of profit or loss and other comprehensive income of the subsidiary based on present ownership interest. A gross liability for the obgliation is initially recognised at the present value of the estimated amount payable, with a corresponding debit to an equity component attributable to Parent. Changes on account of subsequent remeasurement are recognised as an equity transaction. The
liability for the amount payable is derecognized upon settlement of the consideration to acquire NCI. The Group applies this accounting policy consistently to all such put/forward obligation as an accounting policy choice.

b. Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless 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 current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c. Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

c. Fair value measurement (continued)

- 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 or the most advantageous market must be accessible by 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 are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) 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 the fair value hierarchy, as explained above.

d. Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a service to a customer.

The specific recognition criteria described below must also be met before revenue is recognised.

Sales

Revenue from freight forwarding operations is recognised at the time the customer receives the benefits which means the proportion of a shipment remaining at period end will not be recognised as revenue.

d. Revenue recognition (continued)

Interest income

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Other income

Other income is brought to account when earned.

e. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

e. Taxes (continued)

Deferred tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income ("OCI") or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable
- When receivables and payables are stated with the amount of GST included

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

f. Foreign currencies

The Group's consolidated financial statements are presented in Australian dollars, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation.

i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

f. Foreign currencies (continued)

i) Transactions and balances (continued)

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

ii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Australian dollars at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

g. Cash dividend

The Company recognises a liability to pay a dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws of Australia, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

h. Property, plant and equipment

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Property, plant and equipment transferred from customers are initially measured at fair value at the date on which control is obtained.

h. Property, plant and equipment (continued)

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Leasehold improvements	2 to 5 years
Plant and Equipment	4 to 5 years
Motor Vehicles	4 to 5 years
Office Equipment	5 to 6 years
Furniture, Fixtures and Fittings	4 to 5 years
Computer Equipment	1 to 3.5 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

i. Leases

(a) The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise:

• Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;

• Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

• The amount expected to be payable by the lessee under residual value guarantees;

• The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

• Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

• The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

• The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

• A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group has applied AASB16 that is effective for annual periods that begin on or after 1 January 2019 by using the full retrospective approach, with restatement of the comparative information.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under AASB 137. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

j. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

k. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

k. Intangible assets (continued)

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Patents, trademarks and customer contracts

Separately acquired trademarks and licences are shown at historical cost. Trademarks, licenses and customer contracts acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use.
- management intends to complete the software and use or sell it.
- there is an ability to use or sell the software.
- it can be demonstrated how the software will generate probable future economic benefits.
- adequate technical, financial and other resources to complete the development and to use or sell
- the software is available.
- the expenditure attributable to the software during its development can be reliably measured.
- Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Customer Relationship

Intangible assets acquired in business combination relates to the long term relationship between the Group and the customers where future profits will flow to the Group. This is amortised over 3 to 10 years.

k. Intangible assets (continued)

Restraint on shareholder clause

Intangible assets acquired in business combinations refers to the acquired restraint on shareholders' clause for the three years from the date on which shareholders cease to hold shares on July 2018. The shareholders will not, within the applicable restrained areas interfere with, endeavour to entice away, or supply goods and services to the Group's customers. Hence, the clause will be effective for at least 6 years and is amortised over this time line.

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

A summary of the policies applied to the Group's intangible assets is, as follows:

	Software	**Customer Relationship**	**Restraint on Shareholder Clause**
Useful lives	3 years	3 to 10 years	6 years
Amortisation method	Amortised on a straight-line basis over the period of the estimated useful life	Amortised on a straight-line basis over the period of the customer relationship	Amortised on a straight-line basis over the period of the restraint on shareholder clause
Internally generated or acquired	Acquired	Acquired	Acquired

l. Financial instruments – initial recognition and subsequent measurement

i) Financial assets

<u>Initial recognition and measurement</u>

Financial assets are classified, at initial recognition, as loans and receivables, as appropriate. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

l. Financial instruments – initial recognition and subsequent measurement (continued)

i) Financial assets (continued)

Subsequent measurement: Loans and receivables

This category is the most relevant to the Group. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired

Or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. For trade receivables, the Group applies the simplified approach permitted by AASB 9 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime expected credit losses represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

I. Financial instruments – initial recognition and subsequent measurement (continued)

i) Financial assets (continued)

Financial assets carried at amortised cost
For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original EIR.
The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of profit or loss. Interest income (recorded as finance income in the statement of profit or loss) continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans, together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the statement of profit or loss.

ii) Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement: Loan and borrowings
This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

m. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

n. Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand, which are subject to an insignificant risk of changes in value.

o. Provisions

General
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Long service leave and annual leave
The Group does not expect its long service leave or annual leave benefits to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

p. Work in progress

Work-in-progress represented unbilled revenue due to goods that are still in the midst of transportation.

Work-in-progress is calculated at actual cost incurred and does not include any portion of fixed or variable overhead expenses.

q. Contributed equity

Ordinary shares and preference shares are classified as equity.

Issued and paid-up capital is recognised at the fair value of the consideration received by the Company.

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The significant accounting estimates and judgements are:

Accounting for put/forward obligation to acquire non-controlling interests (NCI)

When the Group does not have a present ownership interest over NCI of the subsidiary, the carrying amount of NCI is adjusted for its share of profit or loss and other comprehensive income of the subsidiary based on present ownership interest. A gross liability for the obgliation is initially recognised at the present value of the estimated amount payable, with a corresponding debit to an equity component attributable to Parent. Changes on account of subsequent remeasurement are recognised as an equity transaction. The liability for the amount payable is derecognized upon settlement of the consideration to acquire NCI. The Group applies this accounting policy consistently to all such put/forward obligation as an accounting policy choice.

Property, plant & equipment

Useful lives and residual value of property, plant and equipment are reviewed annually. Judgement is applied in determining the useful lives of property, plant and equipment. Any reassessment of useful lives and residual value in a particular year will affect depreciation and amortisation expense (either increasing or decreasing) from the date of reassessment through to the end of the reassessed useful life for both the current and future years.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Work in progress

Management's judgement is applied in determining the accrued revenue booked under work in progress. The margin is estimated based on the rate of historical transactions. When sales invoice is issued, the accrued revenue posted will be reversed out and recognised the actual sales invoice amount.

4. Group information

The consolidated financial information of the Group includes the following subsidiaries of TVS Supply Chain Solutions Australia Holdings Pty Ltd:

Name	Principal activities	Country of incorporation	% of equity interest 2024	% of equity interest 2023
T,I.F. Holdings Pty Ltd	Holding Company	Australia	100%	100%
TVS SCS (Aust) Pty. Ltd.	Freight Forwarding	Australia	100%	100%
TVS SCS New Zealand Limited	Freight Forwarding	New Zealand	100%	100%
Transtar International Freight (Shanghai) Co Ltd	Freight Forwarding	China	100%	100%
Transtar International Freight Ltd	Freight Forwarding	Hong Kong	100%	100%
TVS SCS International Freight (Singapore) Pte. Ltd.	Freight Forwarding	Singapore	100%	100%
Transtar International Freight Malaysia Sdn Bhd	Freight Forwarding	Malaysia	100%	100%
TVS Supply Chain Solutions Holdings Limited	Freight Forwarding	Thailand	100%	100%
Kahn Nominees Pty Ltd	Holding Company	Australia	100%	100%

	2024	2023
	$'000	**$'000**
5. Administrative expenses		
Wages and salaries	7,570	9,312
Other administrative expenses	710	556
Total administrative expenses	**8,280**	**9,868**
6. Other operating expenses		
Service fees	1,912	2,595
Computer software	842	836
Travelling expenses	104	78
Telecommunication expenses	77	114
Insurance	220	316
Lease and hire expenses	(50)	(18)
Advertising expenses	43	51
Other operating expenses	3,909	2,471
Total other operating expenses	**7,057**	**6,443**

	2024	2023
	$'000	**$'000**

7. Income tax

The major components of income tax expense for the years ended 31 March 2024 and 2023 are:

Consolidated Profit or Loss

	2024 $'000	2023 $'000
Current income tax:		
Current income tax charge	785	2,712
Deferred tax:		
Relating to origination and reversal of temporary differences	(314)	171
Income tax expense reported in the statement of profit or loss	**471**	**2,883**

Reconciliation of tax expense and accounting profit multiplied by domestic tax rate for 2024 and 2023:

	2024 $'000	2023 $'000
Accounting Profit before income tax	**(1,927)**	**8,685**
At Australia's statutory income tax rate of 30% (2023:30%)	(578)	2,606
Adjustments in respect of current income tax of previous years	1,186	-
Effect of different tax rates of subsidiaries operating in other jurisdictions	(29)	(103)
Non-deductible expenses for tax purposes	7	196
Non-assessable income	(96)	-
Reversal of deferred tax asset	-	184
Other	(19)	-
At the effective income tax rate of 30% (2023: 33%)	**471**	**2,883**
Income tax expense reported in the statement of profit or loss	**471**	**2,883**

7. Income tax (continued)

Deferred Tax

Deferred tax relates to the following:

	Consolidated statement of financial position		
	2023	Recognised in Profit/(loss)	2024
	$'000	$'000	$'000
Employee benefits provision	388	(24)	364
Fair Value adjustments in business combination at time of acquisition - net of amortisation	(336)	336	-
Forward liability	-	195	195
Others	273	(193)	80
Net deferred tax assets/(liabilities)	**325**	**314**	**639**

8. Cash and Cash Equivalents

Cash on hand	-	1
Cash at bank	9,914	14,323
	9,914	**14,324**

9. Trade and Other Receivables

Trade receivables from external party	10,218	12,521
Receivables from related parties (Note 19)	239	1,124
Allowance for credit losses	(50)	(250)
	10,407	**13,395**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

The average credit period on service is 60 days. No interest is charged on outstanding trade receivables.

9. Trade and Other Receivables (continued)

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The calculated total expected credit losses as at 31 March 2024 is $4,087 (2023: $1,984). The Group has also provided a list of specific loss allowance of $45,913 (2023: $247,527). The specific allowance is for receivables over 120 days past due because historical disputes has indicated that these receivables are less likely to be recoverable.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are long under disputes and under management's decision to write off based on commercial reasons. None of the trade receivables that have been written off is subject to enforcement activities.

	2024	**2023**
	$'000	**$'000**
10. Work in Progress		
Work in Progress at cost	**479**	**186**
11. Other Current Assets		
Deposits	141	865
Prepayments	285	110
Advance to related parties	794	-
Loan receivable from parent entity	2,000	-
	3,220	**975**

Loan receivable of $2million relates to intercompany loan provided to TVS Supply Chain Solutions Pte Ltd.

The tenure of the Loans are and shall be automatically renewed on 12-calendar months basis.

Interest rates, calculated from the Disbursement Dates for the respective Loans are as at 6% p.a

TVS Supply Chain Solutions Australia Holdings Pty. Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

12. Property, Plant and Equipment

	Fixtures & Fittings	Leasehold Improvements	Computers	Office Equipment	Warehouse Equipment	Motor Vehicles	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost							
At March 31, 2023	66	792	566	97	1,312	40	2,873
Additions	10	31	24	1	433	-	499
Disposals	(6)	(130)	(76)	(21)	-	-	(233)
Exchange difference	-	(1)	-	-	(10)	-	(11)
At March 31, 2024	**70**	**692**	**514**	**77**	**1,735**	**40**	**3,128**
Depreciation							
At March 31, 2023	**36**	**557**	**491**	**93**	**898**	**40**	**2,115**
Depreciation charge for the year	13	89	54	2	265	-	423
Disposals	(7)	(131)	(92)	(21)	-	-	(251)
Exchange difference	-	-	-	-	(5)	-	(5)
At March 31, 2024	**42**	**515**	**453**	**74**	**1,158**	**40**	**2,282**
Net book value							
At 31 March 2024	**28**	**177**	**61**	**3**	**577**	**-**	**846**
At 31 March 2023	**30**	**235**	**75**	**4**	**414**	**-**	**758**

13. Intangible Assets

	Goodwill	Patents & Trademarks	Software	Customer Relationship	Restraint on Shareholder Clause	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Cost						
At March 31, 2023	7,850	12	438	6,230	644	15,174
Additions – internally developed	-	-	-	-	-	-
Additions – acquired	-	-	-	-	-	-
Disposal	-	-	(30)	-	-	(30)
Exchange Difference	-	-	-	-	-	-
At March 31, 2024	**7,850**	**12**	**408**	**6,230**	**644**	**15,144**
Amortisation and impairment						
At March 31, 2023	**-**	**-**	428	5,109	644	6,181
Amortisation	-	-	3	481	-	484
Disposals	**-**	-	(30)	-	-	(30)
Exchange Difference	-	-	-	-	-	-
At March 31, 2024	**-**	**-**	**401**	**5,590**	**644**	**6,635**
Net book value						
At 31 March 2024	**7,850**	**12**	**7**	**640**	**-**	**8,509**
At 31 March 2023	**7,850**	**12**	**10**	**1,121**	**-**	**8,993**

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. More frequent reviews are performed for indications of impairment of all the Group's assets including customer relationships and operating assets.

In accordance with the Group's accounting policies, the Group has evaluated whether the recoverable amount of the Group's cash generating unit including goodwill exceeds its carrying amount. A value-in-use model is used to determine recoverable amount which projects future cash flows over a five-year period with the period beyond five years extrapolated using an estimated growth rate.

The cash flows are discounted at an appropriate rate to derive the recoverable amount. The following key assumptions were used:

- overhead costs based on inflationary impacts offset by ongoing cost efficiencies;
- in the period beyond 5 years a long term growth rate of 2% and
- pre-tax discount rate of 11%.

The assumptions are based on the Group's budgeted operating and financial performance and represent management's best estimate at 31 March 2024. Based on the recoverable amount of the CGU exceeding its aggregate carrying amount at year end, there was no impairment charge.

14. Trade and Other Payables

	2024	2023
Current	**$'000**	**$'000**
Trade payables to external parties	6,649	7,149
Payables to related parties (Note 20)	2,160	1,414
Other payables	3,325	5,742
	12,134	**14,305**

15. Provisions

	2024 $'000	2023 $'000
Current		
Annual leave	643	759
Long service leave	474	418
	1,117	**1,177**
Non-current		
Make good for rent	-	33
Long service leave	103	122
	103	**155**

16. Contributed equity

	2024	2023
	$'000	$'000
Issued and fully paid ordinary shares	24,632	18,632
	24,632	**18,632**

The issued capital as of 31 March 2024 of $24,631,953 (2023: $ 18,631,953) being 24,631,953 ordinary shares at $1 fully paid.

17. Right of use assets

	Building	Plant and equipment	Total
Balance as at 1st April 2022	**5,850**	**1**	**5,851**
Reversals	(11)	-	(11)
Amortisation	(2,483)	-	(2,483)
Adjustment	-	4	4
Currency translation and others	6	(5)	1
Balance as at 31st March 2023	**3,362**	**-**	**3,362**
Additions	4,386	-	4,386
Amortisation	(2,589)	-	(2,589)
Currency translation and others	(45)	-	(45)
Balance as at 31st March 2024	**5,114**	**-**	**5,114**

18. Lease liabilities

	2024	2023
	$'000	$'000
Secured		
Current	2,620	2,121
Non-current	2,627	1,395
	5,247	**3,516**

Future minimum lease payments

The future minimum lease payments arising under the Group's lease contracts at the end of the reporting period are as follows:

	2024	2023
	$'000	$'000
Not later than one year	2,777	2,216
Later than one year and not later than five years	3,131	1,420
Later than five years	-	-
	5,908	**3,636**

Short-term leases and leases of low value assets

The recognition exemptions for short-term leases that have a lease term of 12 months or less and leases of low-value assets has been applied. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term in the statement of profit or loss and other comprehensive income as below:

	2024 $,000	2023 $,000
Lease and hire expenses	50	18

	2024 $,000	2023 $,000

19. Related party disclosures

a. Parent entity

TVS Supply Chain Solutions Pte. Ltd. is the parent entity of the Group and the ultimate controlling entity is TV Sundaram Iyengar & Sons Private Ltd.

b. Transactions and balances with related parties

The following related party transactions and balances occurred during the financial year:

Sales to related parties

		2024	2023
-	TVS SUPPLY CHAIN SOLUTIONS PTE LTD	17	-
-	TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	103	433
-	TVS SCS LOGISTICS (THAILAND) LIMITED	23	54
-	PT. PAN ASIA LOGISTICS INDONESIA	13	295
-	TVS SCS (KOREA) LTD.	-	5
-	TVS SCS LOGISTICS LTD	79	111
-	TVS SCS SINGAPORE PTE. LTD.	318	297
-	TVS SCS TAIWAN LIMITED	1	-
-	TVS SCS LOGISTICS LTD GUANGZHOU BRANCH	-	101
-	HANOI BRANCH OF TVS SCS VIETNAM COMPANY LIMITED	16	-
-	TVS SCS VIETNAM COMPANY LIMITED	34	750
-	TVS SCS MALAYSIA SDN BHD	19	146
-	TVS SCS JAPAN (REPRESENTATIVE OFFICE) C/O MITSUI-SOKO EXPRESS	-	1
-	TVS SCS LOGISTICS LTD SHENZHEN BRANCH	-	26
-	TVS SCS LOGISTICS LTD NINGBO BRANCH	3	-

19. Related party disclosures (continued)

	2024	2023
	$,000	**$,000**
Purchases from related parties		
- TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	97	427
- TVS SCS LOGISTICS (THAILAND) LIMITED	122	99
- TVS SCS HONG KONG LTD.	71	43
- TVS SCS (KOREA) LTD.	111	186
- TVS SCS LOGISTICS LTD	610	886
- TVS SCS SINGAPORE PTE. LTD.	271	995
- TVS SCS TAIWAN LIMITED	20	8
- TVS SCS DEUTSCHLAND GMBH	225	760
- TVS SCS LOGISTICS LTD BEIJING BRANCH	34	173
- HANOI BRANCH OF TVS SCS VIETNAM COMPANY LIMITED	-	147
- TVS SCS VIETNAM COMPANY LIMITED	158	328
- PT. PAN ASIA LOGISTICS INDONESIA	15	11
- TVS SCS MALAYSIA SDN BHD	54	143
- TVS SCS LOGISTICS LTD GUANGZHOU BRANCH	335	690
- TVS SCS LOGISTICS LTD SHENZHEN BRANCH	264	159
- TVS SCS LOGISTICS LTD NINGBO BRANCH	62	57
- TVS SCS LOGISTICS LTD TIANJIN BRANCH	98	39
- TVS SCS LOGISTICS LTD QINGDAO BRANCH	56	39
- TVS SCS LOGISTICS LTD WUHAN BRANCH	54	22

19. Related party disclosures (continued)

Amount owed by related parties

		2024	2023
		$,000	$,000
-	TVS SUPPLY CHAIN SOLUTIONS PTE LTD	119	637
-	HANOI BRANCH OF TVS SCS VIETNAM COMPANY LIMITED	4	-
-	TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	1	6
-	TVS SCS (KOREA) LTD.	(1)	3
-	TVS SCS LOGISTICS LTD	12	(55)
-	TVS SCS MALAYSIA SDN BHD	2	-
-	TVS SCS SINGAPORE PTE. LTD.	25	32
-	TVS SCS VIETNAM COMPANY LIMITED	4	93
-	TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	14	2
-	RICO LOGISTICS PTY LTD	36	31
-	TVS SCS JAPAN (REPRESENTATIVE OFFICE) C/O MITSUI-SOKO EXPRESS	1	1
-	TVS SCS LOGISTICS LTD SHENZHEN BRANCH	1	25
-	TVS SCS LOGISTICS LTD NINGBO BRANCH	2	(15)
-	TVS SCS LOGISTICS LTD QINGDAO BRANCH	-	(4)
-	OTHERS	19	368
		239	**1,124**

		2024	2023
		$,000	**$,000**

19. Related party disclosures (continued)

Amount owed to related parties

-	TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	-	14
-	TVS SCS LOGISTICS (THAILAND) LIMITED	30	46
-	TVS SCS HONG KONG LTD.	4	3
-	TVS SCS MALAYSIA SDN BHD	13	1
-	TVS SCS (KOREA) LTD.	722	855
-	TVS SCS LOGISTICS LTD	69	(740)
-	TVS SCS SINGAPORE PTE. LTD.	1,048	1,574
-	TVS SCS TAIWAN LIMITED	1	(1)
-	TVS SCS DEUTSCHLAND GMBH	33	4
-	TVS SCS LOGISTICS LTD BEIJING BRANCH	3	1
-	TVS SCS VIETNAM COMPANY LIMITED	115	2
-	PT. PAN ASIA LOGISTICS INDONESIA	1	3
-	TVS SCS LOGISTICS LTD GUANGZHOU BRANCH	73	78
-	TVS SCS LOGISTICS LTD SHENZHEN BRANCH	22	173
-	TVS SCS LOGISTICS LTD NINGBO BRANCH	10	19
-	TVS SCS LOGISTICS LTD TIANJIN BRANCH	21	22
-	TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	15	8
-	TVS SCS RICO ITALIA SRL	20	22
-	TVS SCS LOGISTICS LTD QINGDAO BRANCH	5	31
-	TVS SUPPLY CHAIN SOLUTIONS PTE LTD	(76)	(1,180)
-	TVS SCS LOGISTICS LTD WUHAN BRANCH	23	22
-	OTHERS	8	457
		2,160	**1,414**

	2024	2023
Service fees paid to Parent	1,996	4,973

Advance to related parties

-	TRANSTAR INTERNATIONAL FREIGHT (SHANGHAI) LIMITED	794	-

Loan receivable from parent company

-	TVS SUPPLY CHAIN SOLUTIONS PTE LTD	2,000	-

Compensation of key management personnel of the Group

Total compensation paid to key management personnel	643	894

20. Events after the reporting period

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years, other than as disclosed in its financial report.

21. Disclosure of auditor's remuneration

The financial statements have been audited by Deloitte Touche Tohmatsu, Australia in respect of the year ended 31 March 2023.

Auditor's Remuneration

	2024 $,000	**2023 $,000**
TVS SUPPLY CHAIN AUSTRALIA HOLDINGS PTY. LTD	15	15
TVS SCS (AUST) PTY. LTD.	202	104
TVS SCS NEW ZEALAND LIMITED	28	49

22. Information relating to TVS Supply Chain Solutions Australia Holdings Pty Ltd (the Parent)

	2024 $'000	**2023 $'000**
Current assets	683	647
Total assets	10,419	10,819
Current liabilities	4,310	4,116
Total liabilities	4,310	4,452
Issued capital	24,632	18,632
Retained earnings	(11,610)	(10,722)
	13,022	**7,910**
Loss of the Parent entity	**(888)**	**(536)**
Total Comprehensive loss of the Parent Entity	**(888)**	**(536)**

23. Contingent liability

As at the end of the previous financial year, the Group was part of a litigation with the erstwhile shareholders of the Transtar group in connection with determination of EBITDA as per the terms of the share purchase agreement (second completion amounts) for the acquisition of the balance minority shareholding (45%). The dispute was pending with the Supreme Court of Victoria. During the year ended March 31, 2024, the dispute was settled and there is no known contingent liability arisen since then.

24. Reserves

Other equity

Capital reserve brought forward from the prior year represents effects of changes in ownership interest in subsidiaries when there is no change in control.

As disclosed in Note 23 of the contingent liability, there was legal dispute with previous shareholders of the NCI as at the end of the previous year, over the computation of consideration based on adjusted EBITDA of subsidiary at the point of NCI acquisition. During the year, the dispute was settled out of court for an amount of $6 million as full and final settlement of the acquisition. This amount was paid as follows: $629,588(deferred cash settlements) and $5,370,412 was adjusted to the related equity component attributable to the Parent, to reflect the total net gain/loss from the acquisition of NCI accounted for an equity transaction.

Foreign currency translation reserve

Exchange differences relating to translation from the functional currencies of foreign operations into Australian dollars are brought to account by entries made directly to the foreign currency translation reserve.

TVS Supply Chain Solutions Holdings Limited

FY 2023-24

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of
TVS Supply Chain Solutions Holdings Limited

Opinion

I have audited the financial statements of TVS Supply Chain Solutions Holdings Limited, which comprise the statement of financial position as at March 31, 2024, and the statement of income and statement of changes in shareholders' equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of TVS Supply Chain Solutions Holdings Limited as at March 31, 2024, its financial performance for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further describe in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Methavee Chanasongkram.

(Miss Methavee Chanasongkram)
Certified Public Accountant
Registration No. 12784

Dharmniti Auditing Company Limited
Bangkok, Thailand
June 14, 2024

TVS SUPPLY CHAIN SOLUTIONS HOLDINGS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024

ASSETS

	Note	Baht 2024	Baht 2023
Non-current assets			
Investments in a subsidiary	3	1,020,000.00	1,020,000.00
Total non-current assets		1,020,000.00	1,020,000.00
TOTAL ASSETS		1,020,000.00	1,020,000.00

LIABILITIES AND SHAREHOLDERS' EQUITY

	Note	Baht 2024	Baht 2023
Current liabilities			
Other payables		480,608.06	499,712.24
Total current liabilities		480,608.06	499,712.24
TOTAL LIABILITIES		480,608.06	499,712.24
Shareholders' equity			
Share capital	4		
Authorized, share capital			
2,450 preference shares of Baht 100 each		245,000.00	245,000.00
2,550 ordinary shares of Baht 100 each		255,000.00	255,000.00
		500,000.00	500,000.00
Issued and paid-up share capital			
2,450 preference shares of Baht 100 each		245,000.00	245,000.00
2,550 ordinary shares of Baht 100 each		255,000.00	255,000.00
		500,000.00	500,000.00
Retained earnings		39,391.94	20,287.76
TOTAL SHAREHOLDERS' EQUITY		539,391.94	520,287.76
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,020,000.00	1,020,000.00

Notes to the financial statements form an integral part of the financial statements.

TVS SUPPLY CHAIN SOLUTIONS HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED MARCH 31, 2024

		Baht	
	Note	2024	2023
Revenues			
Other income		62,354.18	-
Total revenues		62,354.18	-
Expenses			
Administrative expenses		43,250.00	249,996.57
Total expenses		43,250.00	249,996.57
Profit (loss) before finance costs and income tax		19,104.18	(249,996.57)
Finance costs		-	-
Profit (loss) before income tax		19,104.18	(249,996.57)
Income tax		-	-
Net profit (loss) for the year		19,104.18	(249,996.57)

Notes to the financial statements form an integral part of the financial statements.

TVS SUPPLY CHAIN SOLUTIONS HOLDINGS LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

		Baht			
		Paid - up Share Capital		Retained	Total
		Preference	Ordinary	earnings	
	Note	Shares	Shares		
Balance as at March 31, 2022		245,000.00	255,000.00	270,284.33	770,284.33
Loss for the year		-	-	(249,996.57)	(249,996.57)
Balance as at March 31, 2023		245,000.00	255,000.00	20,287.76	520,287.76
Profit for the year		-	-	19,104.18	19,104.18
Balance as at March 31, 2024		245,000.00	255,000.00	39,391.94	539,391.94

Notes to the financial statements form an integral part of the financial statements.

TVS SUPPLY CHAIN SOLUTIONS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

1. GENERAL INFORMATION

(a) Legal status and address

TVS Supply Chain Solutions Holdings Limited (the Company) was registered to be a limited Company with the Ministry of Commerce on December 2, 2011.

The address of its registered office is as follows:

Head office : 65, 42 Tower, M Floor, Room No. M1-M2, Soi Sukhumvit 42 (Kluaynamthai), Sukhumvit Road, Prakanong, Klongtoey, Bangkok.

(b) Nature of the Company's business

Main business activities of the Company is management consulting service.

(c) Major shareholder companies

Its major shareholders are TVS SCS International Freight (Thailand) Limited (holding 51%).

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis for preparation of financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E. 2547 by complying with Thai Financial Reporting Standards for Non-Publicly Accountable Entities (Revised 2022) from January 1, 2023. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for limited company, issued under the Accounting Act B.E. 2543.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

2.2 Revenues and expenses recognition

The Company recognizes agency commission and other service income excluding value added tax, when the services have already been rendered.

The Company recognizes other income and expenses on the accrual basis.

2.3 Investment in subsidiary

Subsidiary id this company in which the Company has the power to control the financial and operating policies generally accompanying a share holding of more than one-half of the voting rights.

Investment in subsidiary is stated at cost net from allowance on decline in value (if any). Loss on decline in value of investment will be recognized as loss in the statement of income in the financial statement.

2.4 Provisions

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

2.5 Income tax

The Company records income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates of net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

2.6 Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company’s operations.

3. INVESTMENT IN A SUBSUDIARY

Investments in a subsidiary consisted of:

Name of company	Nature of business	Paid up share capital (Million Baht)		Percentage of shareholding (%)		Cost method (Baht)	
		2024	2023	2024	2023	2024	2023
TVS SCS International Freight (Thailand) Limited	Logistic	2.00	2.00	51	51	1,020,000.00	1,020,000.00
						1,020,000.00	1,020,000.00

4. PREFERENCE SHARES

Preferred shares has right which is different from share capital. The different of right is dividend and vote which is regarding to company regulation.

5. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors of the Company on June 14, 2024.

TVS Supply Chain Solutions Pte. Ltd. and its Subsidiaries

FY 2023-24

TVS Supply Chain Solutions Limited (the "Parent") is required under Regulation 46(2)(s) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, to publish the audited financial statements of its subsidiaries on its website. As member of the Parent, and to all persons other than such member, being the person so entitled, you have been provided access to this set of financial statements subject to the terms herein.

The attached financial statements were prepared by TVS Supply Chain Solutions Pte. Ltd. (the "Company") pursuant to the requirements set out in section 207 of the Singapore Companies Act 1967 (the "Act"). The audit report on the financial statements is issued by Deloitte & Touche LLP as statutory auditors of the Company and for no other purpose. If you or any other party wishes to rely upon the audit report, you/they do so entirely at your/their own risk.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TVS Supply Chain Solutions Pte. Ltd. (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Group and the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 6 to 76.

In our opinion, the accompanying financial statements of the Group and the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Group and the Company as at 31 March 2024 and of the financial performance, changes in equity and cash flows of the Group and the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for other information. The other information comprises Directors' statement set out on pages 1 to 2 but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD.

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

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

- 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 group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Public Accountants and
Chartered Accountants
Singapore

24 May 2024

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Year ended 31 March 2024

	Note	Group 2024	Group 2023	Company 2024	Company 2023
		$	$	$	$
Revenue	4	270,425,014	481,572,215	-	-
Cost of sales		(189,496,028)	(380,633,370)	-	-
Gross profit		80,928,986	100,938,845	-	-
Other income	5	448,948	1,372,293	8,756,498	11,073,101
Administrative expenses	6	(84,530,280)	(91,102,192)	(9,670,619)	(13,555,061)
Finance costs	7	(10,282,374)	(9,858,165)	(8,963,137)	(8,192,841)
(Loss)/Profit before tax	8	(13,434,720)	1,350,781	(9,877,258)	(10,674,801)
Income tax expense	9	(1,269,442)	(4,932,039)	(39,574)	-
Loss for the year		(14,704,162)	(3,581,258)	(9,916,832)	(10,674,801)
Other comprehensive income/(loss)					
Items that may be reclassified subsequently to profit or loss:					
Currency translation differences arising on consolidation		(29,182)	(3,373,088)	-	-
Effective portion of gains on hedging instruments in cash flow hedges		1,192,107	1,443,036	1,192,107	1,443,036
Items that will not be reclassified subsequently to profit or loss:					
Re-measurement gains on defined benefit plans		(2,641)	51,484	-	-
Income tax relating to items that will not be reclassified to profit or loss		(231)	8,242	-	-
Other comprehensive income (loss), net of tax		1,160,053	(1,870,326)	-	-
Total comprehensive loss for the year		(13,544,109)	(5,451,584)	(8,724,725)	(9,231,765)

See accompanying notes to financial statements.

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION
31 March 2024

	Note	Group		Company	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023
		$	$	$	$
Assets					
Plant and equipment	10	3,621,701	3,862,353	721,783	473,901
Goodwill and intangible assets	11	43,743,592	46,765,012	-	-
Right-of-use assets	12	57,409,592	26,791,909	-	-
Investment in subsidiaries	13	-	-	92,037,430	86,482,030
Deferred tax assets	14	2,034,092	1,130,780	-	-
Other receivables	16a	804,929	286,027	-	-
Non-current assets		107,613,906	78,836,081	92,759,213	86,955,931
Contract assets	16b	5,446,973	5,522,807	-	-
Tax recoverable		1,156,831	2,519,129	-	-
Trade and other receivables	16a	52,612,955	60,898,082	3,720,465	4,605,281
Amount due from related company	17	3,405,249	1,264,385	998,932	109,514
Amount due from ultimate holding company	17	4,874,912	4,524,463	4,874,912	4,524,463
Loan to related companies	17	-	97,500	9,912,561	12,559,592
Cash and cash equivalents	18	21,326,650	35,379,273	127,709	213,905
Current assets		88,823,570	110,205,639	19,634,579	22,012,755
Total assets		196,437,476	189,041,720	112,393,792	108,968,686
Equity					
Share capital	19	113,235,676	37,349,311	113,235,676	37,349,311
Capital reserve	20a	(3,160,173)	1,535,715	2,861,419	2,861,419
Currency translation reserve	20b	(4,891,204)	(4,862,022)	-	-
Other reserve		184,582	187,454	-	-
Hedge reserve		1,202,249	10,142	1,202,249	10,142
Accumulated losses		(91,614,287)	(76,910,125)	(83,471,641)	(73,554,809)
Net equity/(capital deficiency)		14,956,843	(42,689,525)	33,827,703	(33,333,937)

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (cont'd)
31 March 2024

	Note	Group		Company	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023
		$	$	$	$
Liabilities					
Other payables	21a	1,759,502	1,666,750	-	-
Provisions	21b	3,489,211	3,413,584	-	-
Borrowings	23	-	43,703,488	-	43,703,488
Lease liabilities	24	43,089,848	13,397,609	-	-
Deferred tax liabilities	14	2,121,823	2,810,251	-	-
Derivative financial instruments	15	-	8,614,043	-	8,614,043
Non-current liabilities		50,460,384	73,605,725	-	52,317,531
Trade and other payables	21a	45,126,626	53,521,237	17,971,767	7,592,019
Provisions	21b	1,752,415	2,122,705	-	-
Amount due to a related company	17	567,485	3,482,371	61,556	2,986,278
Amount due to ultimate holding company	17	8,340,805	5,766,391	8,340,805	5,766,391
Borrowings	23	54,009,281	73,640,404	48,621,781	73,640,404
Lease liabilties	24	15,392,829	16,289,891	-	-
Tax payable		2,260,628	3,302,521	-	-
Derivative financial instruments	15	3,570,180	-	3,570,180	-
Current liabilities		131,020,249	158,125,520	78,566,089	89,985,092
Total liabilities		181,480,633	231,731,245	78,566,089	142,302,623
Total liabilities and equity/net of capital deficiency		196,437,476	189,041,720	112,393,792	108,968,686

See accompanying notes to financial statements.

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY
Year ended 31 March 2024

	Share capital	Capital reserve	Other reserve	Currency translation reserve	Hedge reserve	Accumulated losses	Total
	$	$	$	$	$	$	$
Group							
At 1 April 2022	37,349,311	1,535,715	127,728	(1,488,934)	(1,432,894)	(73,328,867)	(37,237,941)
Loss for the year	-	-	-	-	-	(3,581,258)	(3,581,258)
Other comprehensive loss:							
Currency translation differences arising from consolidation	-	-	-	(3,373,088)	-	-	(3,373,088)
Gain on cash flow hedges	-	-	-	-	1,443,036	-	1,443,036
Re-measurement gains on defined benefit plans	-	-	51,484	-	-	-	51,484
Income tax relating to items that will not be reclassified to profit or loss	-	-	8,242	-	-	-	8,242
Total comprehensive income for the year:	-	-	59,726	(3,373,088)	1,443,036	(3,581,258)	(5,451,584)
At 31 March 2023	37,349,311	1,535,715	187,454	(4,862,022)	10,142	(76,910,125)	(42,689,525)
Loss for the year	-	-	-	-	-	(14,704,162)	(14,704,162)
Other comprehensive loss:							
Currency translation differences arising from consolidation	-	-	-	(29,182)	-	-	(29,182)
Gain on cash flow hedges	-	-	-	-	1,192,107	-	1,192,107
Re-measurement gains on defined benefit plans	-	-	(2,641)	-	-	-	(2,641)
Income tax relating to items that will not be reclassified to profit or loss	-	-	(231)	-	-	-	(231)
Total comprehensive loss for the year:	-	-	(2.872)	(29,182)	1,192,107	(14,704,162)	(13,544,109)
Transactions recognised in equity							
Acquisition of non-controlling interest (Note 20a)	-	(4,695,888)	-	-	-	-	(4,695,888)
Issuance of shares (Note 19)	75,886,365	-	-	-	-	-	75,886,365
At 31 March 2024	113,235,676	(3,160,173)	184,582	(4,891,204)	1,202,249	(91,614,287)	14,956,843

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY (cont'd)
Year ended 31 March 2024

	Share capital	Capital reserve	Hedge reserve	Accumulated losses	Total equity
	$	$	$	$	$
Company					
At 1 April 2022	37,349,311	2,861,419	(1,432,894)	(62,880,008)	(24,102,172)
Loss for the year	-	-	-	(10,674,801)	(10,674,801)
Other comprehensive income: Gain on cash flow hedge	-	-	1,443,036	-	1,443,036
Total comprehensive loss for the year:	-	-	1,443,036	(10,674,801)	(9,231,765)
At 31 March 2023	37,349,311	2,861,419	10,142	(73,554,809)	(33,333,937)
Loss for the year	-	-	-	(9,916,832)	(9,916,832)
Other comprehensive income: Gain on cash flow hedge	-	-	1,192,107	-	1,192,107
Total comprehensive loss for the year:	-	-	1,192,107	(9,916,832)	(8,724,725)
Issurance of shares (Note 19)	75,886,365	-	-	-	75,886,365
At 31 March 2024	113,235,676	2,861,419	1,202,249	(83,471,641)	33,827,703

See accompanying notes to financial statements.

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS
Year ended 31 March 2024

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Cash flows from operating activities				
(Loss)/Profit before tax	(13,434,720)	1,350,781	(9,877,258)	(10,674,801)
Adjustments for:				
Depreciation for plant and equipment	2,118,554	3,125,668	268,226	211,657
Interest expense	10,282,374	9,858,165	8,963,137	8,192,841
Interest income	(154,759)	(85,474)	(687,591)	(860,351)
Amortisation of intangible assets	2,575,942	2,607,561	-	-
Liability written back	-	-	-	-
Depreciation of right-of-use assets	15,582,773	15,733,173	-	-
Loss/(Gain) on fixed assets written off	15,706	(4,683)	-	-
Gain on right-of-use-assets derecognition	(1,775)	(27,345)	-	-
Impairment losses (including reversals of impairment losses) on financial assets and contracts	(705,128)	781,665	-	-
Rent concessions	-	(13,139)	-	-
Foreign exchange loss/(gain)	2,906,541	(1,233,299)	1,112,918	421,278
Operating cash flow before working capital changes	19,185,508	32,093,073	(220,568)	(2,709,376)
Contract assets	75,834	(948,644)	-	-
Trade and other receivables	7,343,772	21,850,549	(355,051)	1,931,751
Trade and other payables	(10,745,556)	(15,122,715)	7,679,895	886,199
Amounts due to ultimate holding company	2,574,414	1,459,553	2,574,414	1,459,553
Cash generated from operations	18,433,972	39,331,816	9,678,690	1,568,127
Income tax paid	(3,859,592)	(1,647,487)	(39,574)	-
Net cash generated from operating activities	14,574,380	37,684,329	9,639,116	1,568,127
Cash flow from investing activities				
Deferred payment related to acquisition of NCI (Note 20a)	(546,227)	-	-	-
Investment in subsidiaries		-	(5,555,400)	-
Acquisition of non-controlling interest (Note 20a)	(4,695,888)	-	-	-
Interest received	154,759	85,474	687,591	860,351
Proceeds on disposal of plant and equipment	1,723	26,938	-	-
Addition of plant and equipment	(1,969,982)	(1,043,053)	(516,108)	(406,127)
Amount due from related company	-	-	2,647,031	11,986,630
Loan to related company	97,500	-	-	-
Net cash (used in)/from investing activities	(6,958,115)	(930,641)	(2,736,886)	12,440,854

STATEMENT OF CASH FLOWS (cont'd)
Year ended 31 March 2024

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Cash flow from financing activities				
Amounts due to a related company	(2,914,886)	1,769,769	(2,924,722)	2,559,175
Loan from related company	8,200,812	14,525,828	9,527,333	14,525,829
Loan from subsidiary	-	-	1,759,400	-
Proceeds from issue of equity share capital	67,210,558	-	67,210,558	-
Proceeds from borrowings	7,146,900	-	-	-
Repayment of bank borrowings	(74,304,633)	(23,715,741)	(74,304,633)	(23,715,741)
Payment of principal portion of lease liabilities	(17,432,040)	(17,587,614)	-	
Payment of interest	(9,575,599)	(9,252,875)	(8,256,362)	(7,516,766)
Net cash used in financing activities	(21,668,888)	(34,260,633)	(6,988,426)	(14,147,503)
Net (decrease)/increase in cash and cash equivalents	(14,052,623)	2,493,055	(86,196)	(138,522)
Cash and cash equivalents at beginning of the financial year	35,379,273	32,886,218	213,905	352,427
Cash and cash equivalents at end of the financial year	21,326,650	35,379,273	127,709	213,905

1. CORPORATE INFORMATION

TVS Supply Chain Solutions Pte. Ltd. (the "Company") is incorporated in the Republic of Singapore. The address of the Company's registered office is 21 Changi North Way, TVS SCS Logistic Centre, Singapore 498774.

The principal activities of the Company are to provide transport and logistics management services. The principal activities of the subsidiaries are disclosed in Note 13 to the financial statements.

The immediate and ultimate holding company is TVS Supply Chain Solutions Limited, incorporated in India.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 *Basis of Preparation*

The financial statements have been prepared on the historical cost basis, except as disclosed in the material accounting policy information, and are drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards ('FRSs'). The financial statements are expressed in Singapore dollars.

2.2 *Adoption of New and Revised Standards*

In the current year, the Group and the Company have applied all the new and revised FRS Accounting Standards that are mandatorily effective for an accounting period that begins on or after January 1, 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements except as below.

Amendments to FRSs 1-1 and FRSs Practice Statement 2: *Disclosure of Accounting Policies*

The Group has adopted the amendments to FRSs 1-1 for the first time in the current year. The amendments change the requirements in FRSs 1-1 with regard to disclosure of accounting policies. Accounting policy information is material if, when considered together with other information included in an entity' s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in FRSs 1-1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Group has applied materiality guidance in FRSs Practice Statement 2 in identifying its material accounting policies for disclosures in the related notes. The previous term 'significant accounting policies' used throughout the financial statements has been replaced with 'material accounting policy information.

Amendments to FRSs 1-12: *International Tax Reform – Pillar Two Model Rules*

The Group has adopted the amendments to FRSs 1-12 for the first time in the current year. The scope of FRSs 1-12 was amended to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development ("OECD"), including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in FRSs 1-12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

Following the amendments, the Group is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes.

The amendments have no impact on the Group and the Company in the current year as management has determined that the Group is not in scope of the Pillar Two model rules.

Amendments to FRS 1-12: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The Group has adopted the amendments to FRS 1-12 for the first time in the current year. The amendments narrow the scope of the initial recognition exemption, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences (e.g. leases and decommissioning obligations). Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit..

The Group had previously recognised deferred tax for leases on an aggregate temporary difference basis. Following the amendments, the group is required to recognise separately deferred tax asset and deferred tax liability for the deductible and taxable temporary differences in relation to its lease liabilities and right-of-use assets respectively. There was no impact to the opening retained earnings as at April 1, 2023 as a result of the change, and there was also no impact on the statement of financial position as the resulting deferred tax consequences qualify for offsetting under FRS 1-12.

Standards issued but not effective

At the date of authorisation of these financial statements, the Group and the Company have not applied the following FRSs pronouncements that have been issued but are not yet effective:

Effective for annual periods beginning on or after January 1, 2024

- Amendments to FRS 1-1: *Classification of Liabilities as Current or Non-current*

Management anticipates that the adoption of the above FRSs and amendments to FRS in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

2.3 *Basis of consolidation and business combinations*

(a) *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary company are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary company, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- De-recognises the carrying amount of any non-controlling interest;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

Investment in subsidiaries in the separate financial statements of the Company are stated at cost, less any impairment in recoverable value that has been recognised in profit or loss.

(b) *Business combinations and goodwill*

Acquisitions of businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) 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.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the FRS are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with FRS 12 *Income Taxes* and FRS 19 *Employee Benefits* respectively;

- Liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in FRS 2 *Share-based Payment* at the acquisition date; and

- Assets (or disposal groups) that are classified as held for sale in accordance with FRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling 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. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

(c) *Non-controlling interests (NCI)*

An entity has a choice on a combination-by-combination basis to measure any NCI that represents present ownership interest in the acquiree at either fair value or the proportionate share of the acquiree's net identifiable assets.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(d) *Accounting for put/forward obligation to acquire non-controlling interests (NCI)*

When the Group does not have a present ownership interest over NCI of the subsidiary, the carrying amount of NCI is adjusted for its share of profit or loss and other comprehensive income of the subsidiary based on present ownership interest. A gross liability for the obgliation is initially recognised at the present value of the estimated amount payable, with a corresponding debit to an equity component attributable to Parent. Changes on account of subsequent remeasurement are recognised as an equity transaction. The liability for the amount payable is derecognized upon settlement of the consideration to acquire NCI. The Group applies this accounting policy consistently to all such put/forward obligation as an accounting policy choice.

2.4 *Financial instruments*

Financial assets and financial liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(a) *Financial assets*

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

<u>Classification of financial assets</u>

Debt instruments mainly comprise trade and other receivables that meet the following conditions and are subsequently measured at amortised cost:

- the financial asset is 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.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost , except for short-term balances when the effect of discounting is immaterial.

Interest income is recognised in profit or loss under 'Other income' line item.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate as at each reporting date. Specifically, for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" or "administrative expenses" line item.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The Group recognised 12-month ECL for other receivables.

The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. The Group will adjust the historical loss rates based on expected changes in these factors.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- an actual or expected significant deterioration in the operating results of the debtor;

- significant increases in credit risk on other financial instruments of the same debtor;

- an actual or expected significant adverse change in the regulatory, economic or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the aforegoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or

- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower; or

- a breach of contract, such as a default or past due event; or

- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower’s financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or

- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner.Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables, finance lease receivables and amounts due from customers are each assessed as a separate group. Loans to related parties are assessed for expected credit losses on an individual basis);
- Past-due status;
- Nature, size and industry of debtors;
- Nature of collaterals for finance lease receivables; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12m ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

(b) *Financial liabilities*

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

<u>Classification as debt or equity</u>

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

<u>Equity instruments</u>

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is 1) contingent consideration of an acquirer in a business combination, 2) held for trading, or 3) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and FRS 109 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liabilities.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at FVTPL are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost as at each reporting date, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in profit or loss (Notes 26 and 27) for financial liabilities that are not part of a designated hedging relationship.

The fair value of financial liabilities denominated in foreign currencies determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group’s obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Derivative financial instruments

The Group enters into a cross-currency interest rate swap contract to manage its exposure to interest rate and foreign exchange rate risks. Further details of derivative financial instruments are disclosed in Note 15.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value as at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statement unless the Group has both a legally enforceable right and intention to offset. The impact of the master netting agreements on the Group’s financial position is disclosed in Note 15. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;

- the effect of credit risk does not dominate the value changes that result from that economic relationship; and

- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect other comprehensive income. Furthermore, if the Group expects that some or all of the loss accumulated in other comprehensive income will not be recovered in the future, that amount is immediately reclassified to profit or loss.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated under the heading of foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the "other gains and losses" line item.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal or partial disposal of the foreign operation.

2.5 *Foreign currency*

The consolidated financial statements of the Group and the financial statements of the Company are presented in Singapore Dollars, which is the functional currency of the Company and the presentation currency of the consolidated financial statements. The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency).

(a) *Transactions and balances*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(b) *Consolidated financial statements*

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in profit or loss. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

2.6 *Plant and equipment*

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method, on the following bases:

Leasehold improvements	-	2 to 20 years
Warehouse equipment	-	4 to 20 years
Motor vehicles	-	4 to 5 years
Furniture and fittings	-	3 to 10 years
Computer equipment and software	-	3 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The residual value, useful life and depreciation method are reviewed at the end of each reporting period and adjusted prospectively, if appropriate, to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised as profit or loss.

2.7 *Intangible assets*

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Patent and trademarks

Patent and trademarks refers to trademarks registered with the World Intellectual Property Organisation.

Customers relationship

Customer relationships and contracts acquired in a business combination are carried at cost and amortised on a straight line basis over the period during which economic benefits are expected to be received.

Amortisation of intangible assets

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill and patent and trademarks, from the date that they are available for use. The estimated useful lives for the current and comparative years are as follows:

Restraint on shareholders' clause	-	6 years
Customer relationship	-	3 to 10 years

2.8 *Impairment of non-financial assets*

At each reporting date, the Group reviews the carrying amounts of the non-financial assets to determine whether there is any indication that these assets have suffered an impairment loss. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belong.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five (5) years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.9 *Contract assets*

Contract assets are recognised when the Group has performed under the contract but has not yet billed to the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional.

2.10 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand, and demand deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.11 *Provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. 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 risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.12 *Financial guarantees*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

2.13 *Borrowing costs*

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.14 *Employee benefits*

(a) *Defined contribution plans*

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) *Defined benefit retirement plans*

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur.

Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement.

The Group presents the first two components of defined benefit costs in profit or loss in the line item staff costs. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plan.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

(c) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the reporting period.

2.15 *Leases*

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under FRS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2.8.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other operating expenses' in the statement of profit or loss.

As a practical expedient, FRS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group applied the practical expedient and elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

The Group has applied the amendment to FRS 116 *Leases: COVID-19-Related Rent Concessions*. The Company applies the practical expedient allowing it not to assess whether a rent concession related to COVID-19 is a lease modification. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Group assesses whether there is a lease modification.

2.16 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) *Sales tax*

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet

2.17 *Share capital and share issuance expenses*

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.18 *Contingencies*

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and for which the fair values can be reliably determined.

2.19 *Revenue*

The Group's supply chain management segment generates revenue from services to its customers such as providing freight forwarding services and warehousing services. Certain accessorial services may be provided to customers under their freight forwarding contracts such as unloading and other incidental services. The performance obligations are satisfied over time as customers simultaneously receive and consume the benefits of the services. The contracts contain a single performance obligation, as the distinct services provided remain substantially the same over time and possess the same pattern of transfer. The transaction price is based on the consideration specified in the contract with the customer and contains fixed and variable consideration. In general, fixed component of a contract represents amounts for facility and equipment costs incurred to satisfy the performance obligation and is recognized over the term of the contract.

The Group generates revenue principally by providing freight forwarding services and warehousing services.

Freight forwarding services

Freight forwarding services include air and sea transportation, custom clearance, documentation, cartage, handling, transfers and delivery of goods and inventory management. The performance obligation is created when a customer under transportation contracts submits a shipment note for the transport of goods from origin to destinations. These performance obligations are satisfied over the period as the shipment move from origin to destination and revenue is recognised proportionally as a shipment moves and related costs are recognised as incurred.

Warehousing services

Warehousing Services refers to the provision of the storage of customer's products. Revenue is recognised over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs, based on the time elapsed. Services are billed on weekly/monthly basis.

Payment for warehousing services performed is not due from the customer until the services are completed or billing milestone is reached, and therefore a contract asset is recognised over the period in which the services are performed representing the Group's right to consideration for the services performed to date (Note 2.9).

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Management fee

Income from management fee is recognised at a point in time when administrative and support services are rendered to subsidiaries.

2.20 *Government Grants*

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Management is of the opinion that there is no significant judgement made in applying accounting policies that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial period.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) <u>Calculation of loss allowance</u>

When measuring Expected Credit Loss (ECL), the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The carrying amounts of trade receivables and contract asset are disclosed in Notes 16a and 16b to the financial statements respectively.

(b) Impairment of goodwill and intangible assets

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculations are based on discounted cash flow models. The recoverable amounts are more sensitive to the discount rates used for the discounted cash flow models as well as the expected future cash inflows and the growth rates used for extrapolation purposes. The key assumptions applied in the determination of the value in use calculations are disclosed in Note 11 to the financial statements.

The management has performed certain sensitivity analysis and up to 10% (31 March 2023 : 6.9%) reduction in the average revenue growth, with all other variables held constant, there will be no impairment in the goodwill. With all other variables held constant, there will be no impairment in the goodwill when a discount rate up to 26.8% (31 March 2023 : 38.6%) is being used. As at 31 March 2024, the carrying amount of goodwill is $36,046,148 (31 March 2023 : $36,458,242) (Note 11).

(c) Impairment of investment in subsidiaries

The carrying value of the Company's investment in subsidiaries is reviewed for impairment in accordance with FRS 36 *Impairment of Assets*. The investment in subsidiaries is tested for impairment when a subsidiary is in a net liabilities position or has suffered continual operating losses or has any other known impairment indicators.

As at 31 March 2024, the carrying amount of investment amounted to $92,037,430 (2023 : $86,482,030) respectively (Note 13).

4. REVENUE

A disaggregation of the Group's revenue for the year is as follows:

	Group	
	2024	2023
	$	$
By timing of recognition		
Over time	270,425,014	481,572,215
Based on geographical location of subsidiaries:		
Europe	72,680,892	115,842,293
Asia – Pacific (except Australia)	132,816,287	237,399,776
Australia	64,927,835	128,330,146
	270,425,014	481,572,215

5. OTHER INCOME

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Interest income	154,759	85,474	687,591	860,351
Management fees	101,397	486,035	8,068,907	10,127,943
Government grant income				
- Rent concessions(1)	-	13,139	-	-
- Others	6,807	20,635	-	-
Insurance claim	-	464,526	-	-
Other non-operating income	185,985	302,484	-	84,807
	448,948	1,372,293	8,756,498	11,073,101

(1) Rent concessions

The Group received rental rebate of $Nil (2023 : $13,139) for the leased buildings under the Rental Relief Framework as mandated by the Government. The rental rebate has been accounted for as rent concessions in profit or loss as negative variable rent and the receivable for rental rebate has been offset against the lease liability.

6. ADMINISTRATIVE EXPENSES

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Salaries, bonuses and related costs	38,931,948	42,298,178	4,315,537	7,114,701
Contribution to defined contribution plan	5,678,147	5,636,781	189,082	151,006
Amortisation of intangible assets	2,575,942	2,607,561	-	-
Loss allowance on trade receivables	(705,128)	781,665	-	-
Depreciation of plant and equipment	2,118,554	3,125,668	268,226	211,657
Depreciation of right-of-use assets	15,582,773	15,733,173	-	-
Legal and Professional fees	2,907,079	2,529,330	359,843	223,198
Computer Software & IT Support Services	3,856,102	3,431,037	383,099	213,266
Insurance	954,899	1,082,833	56,286	135,540
Building repairs and maintenance	828,988	981,439	-	-
Travelling and conveyance	715,589	646,792	185,245	99,657
Management fees	1,731,627	2,865,694	1,731,607	2,865,694
Software expenses	3,381,242	2,747,886	-	-
Net foreign exchange loss	2,318,828	3,245,103	1,141,199	1,426,080
Shared service charges	1,336,150	1,241,958	445,646	374,011
Others	2,317,540	2,147,094	594,849	740,251
	84,530,280	91,102,192	9,670,619	13,555,061

7. FINANCE COSTS

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Interest expenses:				
- Bank borrowings	3,570,587	4,093,480	3,462,296	3,955,188
- Loan from a related company (Note 25)	4,146,346	2,577,986	4,147,367	2,577,986
- Lease liability	1,211,967	1,527,032	-	-
Amortisation of transaction cost on borrowing	706,775	605,289	706,775	605,289
Guarantee fee cost to ultimate holding company (Note 25)	646,699	1,054,378	646,699	1,054,378
	10,282,374	9,858,165	8,963,137	8,192,841

8. (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax is stated after charging the following items:

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
(Loss)/Profit before tax is arrived at after charging/(crediting):				
Staff costs:				
- Salaries, bonuses and related costs	38,931,948	42,298,178	4,315,537	7,114,701
- Contribution to defined contribution plan	5,678,147	5,636,781	189,082	151,006
Amortisation of intangible assets	2,575,942	2,607,561	-	-
Impairment losses (including reversals of impairment losses) on financial assets and contracts	(705,128)	781,665	-	-
Depreciation of plant and equipment	2,118,554	3,125,668	268,226	211,657
Depreciation of right-of-use assets	15,582,773	15,733,173	-	-
Professional fees	1,707,757	1,715,701	16,104	-
Audit fees	1,199,322	813,629	343,740	223,198
Expense related to short-term and low value-leases	830,975	377,051	-	-
Building repairs and maintenance	828,988	981,439	-	-
Loss/(Gain) on fixed assets written off	15,706	(4,683)	-	-
Gain on right-of-use-assets derecognition	(1,775)	(27,345)	-	-
Net foreign exchange loss	2,318,828	3,245,103	1,141,199	1,426,080

9. INCOME TAX EXPENSE

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Tax expense attributable to profits is made up of:				
- Current income tax	2,192,746	3,566,215	-	-
- Deferred tax	(1,548,257)	1,365,824	-	-
- Withholding tax	624,953	-	39,574	-
	1,269,442	4,932,039	39,574	-

The reconciliation between the income tax expense and the profit before taxation at the applicable corporate tax rate for the financial years ended 31 March 2024 and 2023 is as follows:

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
(Loss)/Profit before tax	(13,434,720)	1,350,781	(9,877,258)	(10,674,801)
Tax calculated at tax rate of 17%	(2,283,902)	229,633	(1,679,134)	(1,814,716)
Income not subject to tax	(841,003)	(752,475)	(92,177)	(93,167)
Expenses not deductible for tax purpose	2,252,941	2,519,835	1,636,410	1,683,324
Effect of different tax rates in other countries	391,956	1,672,854	-	-
Utilisation of previously unrecognised deferred tax assets	(1,316,539)	(203,499)	-	-
Tax effect of unrecognized and Unused tax losses not recognised as deferred tax assets	2,441,036	1,465,691	134,901	224,559
Withholding tax	624,953	-	39,574	-
	1,269,442	4,932,039	39,574	-

10. PLANT AND EQUIPMENT

	Warehouse equipment	Furniture and fittings	Computer equipment and software	Motor vehicles	Leasehold improvements	Total
	$	$	$	$	$	$
Group						
Cost:						
At 1 April 2022	14,776,819	4,414,887	9,774,720	1,116,293	6,632,435	36,715,154
Additions	84,678	168,398	677,791	-	112,186	1,043,053
Write off	-	(187,668)	(605,899)	(247,532)	(492,695)	(1,533,794)
Translation differences	(180,786)	(132,563)	(218,808)	(50,906)	(182,716)	(765,779)
At 31 March 2023	14,680,711	4,263,054	9,627,804	817,855	6,069,210	35,458,634
Additions	731,324	163,344	737,187	-	338,127	1,969,982
Write off	-	(146,425)	(298,996)	(33,118)	(115,581)	(594,120)
Translation differences	(20,097)	(68,214)	(84,262)	(1,359)	(83,217)	(257,149)
At 31 March 2024	15,391,938	4,211,759	9,981,733	783,378	6,208,539	36,577,347

	Warehouse equipment	Furniture and fittings	Computer equipment and software	Motor vehicles	Leasehold improvements	Total
	$	$	$	$	$	$
Group						
Accumulated depreciation:						
At 1 April 2022	11,116,813	4,079,506	9,110,413	929,482	5,318,504	30,554,718
Charge for the year	2,299,740	148,693	374,565	6,622	296,048	3,125,668
Write off	-	(176,679)	(598,821)	(247,531)	(488,508)	(1,511,539)
Reclassification	(67,001)	11,917	44,751	10,333	-	-
Translation differences	(109,898)	(112,718)	(194,571)	(42,808)	(112,571)	(572,566)
At 31 March 2023	13,239,654	3,950,719	8,736,337	656,098	5,013,473	31,596,281
Charge for the year	1,355,964	114,346	441,175	4,240	202,829	2,118,554
Write off	-	(136,562)	(291,430)	(31,659)	(115,581)	(575,232)
Translation differences	(63,722)	(52,223)	(40,882)	11,832	(38,962)	(183,957)
At 31 March 2024	14,531,896	3,876,280	8,845,200	640,511	5,061,759	32,955,646
Net carrying amount:						
At 31 March 2023	1,441,057	312,335	891,467	161,757	1,055,737	3,862,353
At 31 March 2024	860,042	335,479	1,136,533	142,867	1,146,780	3,621,701

	Computer equipment and software	Total
	$	$
Company		
Cost:		
At 1 April 2022	4,285,947	4,285,947
Additions	406,127	406,127
At 31 March 2023	4,692,074	4,692,074
Additions	516,108	516,108
At 31 March 2024	5,208,182	5,208,182
Accumulated depreciation:		
At 1 April 2022	4,006,516	4,006,516
Charge for the year	211,657	211,659
At 31 March 2023	4,218,173	4,218,175
Charge for the year	268,226	268,226
At 31 March 2024	4,486,399	4,486,399
Net carrying amount:		
At 31 March 2023	473,901	473,901
At 31 March 2024	721,783	721,783

11. GOODWILL AND INTANGIBLE ASSETS

	Goodwill	Restraint on shareholders' clause	Customer relationship	Patent and trademarks	Total
	$		$	$	$
Group					
Cost:					
At 1 April 2022	37,731,889	664,029	27,751,654	11,921	66,159,493
Translation differences	(1,273,647)	-	(219,145)	(1,455)	(1,494,247)
At 31 March 2023	36,458,242	664,029	27,532,509	10,466	64,665,246
Translation differences	(412,094)	-	(33,264)	(120)	(445,478)
At 31 March 2024	36,046,148	664,029	27,499,245	10,346	64,219,768
Accumulated amortisation:					
At 1 April 2022	-	664,029	14,628,644	-	15,292,673
Charge for the year	-	-	2,607,561	-	2,607,561
At 31 March 2023	-	664,029	17,236,205	-	17,900,234
Charge for the year	-	-	2,575,942	-	2,575,942
At 31 March 2024	-	664,029	19,812,147	-	20,476,176
Net carrying amount:					
At 31 March 2023	36,458,242	-	10,296,304	10,466	46,765,012
At 31 March 2024	36,046,148	-	7,687,098	10,346	43,743,592

Impairment assessment on goodwill

For the purpose of impairment assessment, goodwill arising from acquisition have been allocated to, T.I.F Holdings Pty Ltd and its subsidiaries, TVS SCS Singapore Pte Ltd and its subsidiaries and TVS SCS Logistics Management Co Ltd as a single cash-generating unit (CGU).

The recoverable amount of the CGU is determined based on a value in use calculation using cash flow projections from financial budgets covering a five year period. The following key assumptions are used in the value in use calculation:

	2024	2023
Discount rate	10.0%	10.0%
Terminal growth rate	3.4%	3.4%
Budgeted revenue growth rate (average of the next 5 years)	16.9%	8.9%

Cash flow projections during the five year period are based on the same expected gross margins throughout this period, which are materially consistent with the gross margins achieved in 2024.

Based on the assessment, management is of the opinion that the carrying value of the goodwill does not exceed its recoverable amount.

Sensitivity to changes in assumptions

With regards to the value in use calculation, management believes that no reasonable possible changes in any of the above key assumptions cause the carrying amounts of goodwill to materially exceed its recoverable amount.

12. RIGHT-OF-USE ASSETS

The Group leases several buildings, plant and equipment, office equipment and vehicles. The average lease term is 4 years (2023 : 3 years).

As at the 31 March 2024, the Group has an option to extend in the range of 3-5 years and have assessed that it is not reasonably certain that the extension option on buildings will be exercised.

	Buildings	Plant and equipment	Office equipment	Vehicles	Total
	$	$	$	$	$
Group					
Cost:					
At 1 April 2022	74,897,826	2,301,322	798,871	630,191	78,628,210
Additions	12,712,290	278,410	-	262,829	13,253,529
Derecognition	(2,240,041)	(40,954)	(187,733)	(289,002)	(2,757,730)
Translation differences	(1,550,401)	(90,047)	(15,350)	(14,257)	(1,670,055)
At 31 March 2023	83,819,674	2,448,731	595,788	589,761	87,453,954
Additions	44,727,186	631,119	532,567	572,013	46,462,885
Derecognition	(43,699,474)	(505,356)	(464,066)	(368,376)	(45,037,272)
Translation differences	(395,096)	(112,082)	1,175	1,046	(504,957)
At 31 March 2024	84,452,290	2,462,412	665,464	794,444	88,374,610
Accumulated depreciation:					
At 1 April 2022	46,548,970	806,290	568,049	404,370	48,327,679
Depreciation	14,862,993	493,278	141,534	235,368	15,733,173
Derecognition	(2,140,524)	(40,954)	(182,682)	(289,002)	(2,653,162)
Translation differences	(693,421)	(31,110)	(11,012)	(10,102)	(745,645)
At 31 March 2023	58,578,018	1,227,504	515,889	340,634	60,662,045
Depreciation	14,722,541	483,121	142,353	234,758	15,582,773
Derecognition	(43,672,981)	(505,356)	(464,066)	(368,376)	(45,010,779)
Translation differences	(215,257)	(55,587)	916	907	(269,021)
At 31 March 2024	29,412,321	1,149,682	195,092	207,923	30,965,018
Net carrying amount:					
At 31 March 2023	25,241,656	1,221,227	79,899	249,127	26,791,909
At 31 March 2024	55,039,969	1,312,730	470,372	586,521	57,409,592

Leases as lessee

Amount recognised in profit or loss relating to leases under FRS 116

	Group	
	31.03.2024	31.03.2023
	$	$
Depreciation expense on right-of-use assets	15,582,773	15,733,173
Interest expense on lease liabilities	1,211,967	1,527,032
Expense relating to short-term and low value leases	830,975	377,051

13. INVESTMENT IN SUBSIDIARIES

	Company	
	2024	2023
	$	$
Unquoted equity shares, at cost		
As at 1 April	86,482,030	80,625,244
Add: Additions during the year	5,555,400	5,856,786
As at 31 March	92,037,430	86,482,030

On February 26, 2024, the Company made an investment for 6,000,000 shares in TVS Supply Chain Solutions Australia Holdings Pty Ltd for a consideration of $5,281,800.

On January 26, 2024, the Company has made an investment of 113,995 shares in TVS SCS Philippines Corporation, a newly formed subsidiary for a consideration of $273,600.

Name of subsidiaries	Principal activities	Country of incorporation	Effective equity interest held by the Group (%) 2024	2023
Held by the Company				
TVS Supply Chain Solutions Australia Holdings Pty Ltd	Investment holding	Australia	100	100
TVS SCS International Freight (Spain), S.L.U.	Freight forwarding	Spain	100	100
TVS SCS International Pte. Ltd	Freight forwarding	Singapore	100	100
TVS SCS Singapore Pte. Ltd.	Freight forwarding	Singapore	100	100
TVS Supply Chain Solutions (Thailand) Limited	Investment holding	Thailand	100	100
TVS SCS Philippines Corporation	Freight forwarding	Philippines	100	-
Held by the Company and TVS Supply Chain Solutions (Thailand) Limited				
TVS SCS Logistics Management Co., Ltd	Warehousing	Thailand	100	100

Name of subsidiaries	Principal activities	Country of incorporation	Effective equity interest held by the Group (%)	
			2024	2023
Held by TVS Supply Chain Solutions Australia Holdings Pty Ltd				
T.I.F Holdings Pty. Ltd.	Investment holding	Australia	100	100
Held by T.I.F Holdings Pty. Ltd.				
TVS SCS (Aust) Pty Ltd	Freight forwarding	Australia	100	100
TVS SCS New Zealand Limited	Freight forwarding	New Zealand	100	100
Kahn Nominees Pty Ltd	Investment holding	Australia	100	100
Held by Kahn Nominees Pty.Ltd.				
TVS SCS International Freight Hong Kong Limited	Freight forwarding	Hong Kong	100	100
TVS SCS International Freight (Singapore) Pte. Ltd	Freight forwarding	Singapore	100	100
Held by TVS SCS International Freight Hong Kong Limited				
TVS SCS International Freight (Thailand) Limited	Freight forwarding	Thailand	100	100
Transtar International Freight (Shanghai) Limited #	Freight forwarding	China	-	100
Transtar International Freight (Malaysia) Sdn Bhd	Freight forwarding	Malaysia	100	100
TVS Supply Chain Solutions Holdings Limited	Freight forwarding	Thailand	100	100

Name of subsidiaries	Principal activities	Country of incorporation	Effective equity interest held by the Group (%)	
			2024	2023
Held by TVS SCS Singapore Pte. Ltd.				
TVS SCS (Korea) Ltd	Freight forwarding	Korea	100	100
TVS SCS Logistics Ltd	Freight forwarding	China	100	100
TVS SCS Logistics (Thailand) Limited	Freight forwarding	Thailand	100	100
TVS SCS Hong Kong Limited	Freight forwarding	Hong Kong	100	100
Pan Asia Container Line Pte Limited	Freight forwarding	Hong Kong	100	100
TVS SCS Deutschland GmbH	Freight forwarding	Germany	100	100
TVS SCS Malaysia Sdn Bhd	Freight forwarding	Malaysia	100	100
TVS SCS Vietnam Company Limited	Freight forwarding	Vietnam	100	100
PT TVS SCS Indonesia	Freight forwarding	Indonesia	100	100
TVS SCS Taiwan Limited	Freight forwarding	Taiwan	100	100
Pan Asia Freight-Forwarding & Logistics India Pvt Ltd	Freight forwarding	India	100	100

\# Liquidated during the year

14. DEFERRED TAX

The following are the major deferred tax liabilities and assets recognised by the Group, and the movements thereon, during the current and prior financial years:

	Right-of-use assets	Tax losses	Intangible assets	Total
	$	$	$	$
Group				
At 1 April 2022	1,771,134	1,465,517	(3,429,856)	(193,205)
Reclassification	(1,728,015)	-	1,728,015	-
(Charge) Credit to profit or loss	2,952	(1,205,553)	(163,223)	(1,365,824)
Credit to OCI	-	-	8,242	8,242
Exchange difference	(5,507)	(26,412)	(96,765)	(128,684)
At 31 March 2023	40,564	233,552	(1,953,587)	(1,679,471)
(Charge) Credit to profit or loss	(4,979)	1,192,493	360,743	1,548,257
Exchange difference	(437)	103	43,817	43,483
At 31 March 2024	35,148	1,426,148	(1,549,027)	(87,731)

	31.03.2024	31.03.2023
	$	$
Group		
Represented by:		
- Deferred tax assets	2,034,092	1,130,780
- Deferred tax liabilities	(2,121,823)	(2,810,251)
	(87,731)	(1,679,471)

Subject to the agreement by the tax authorities, at the reporting date, the Group has unused tax losses and - other temporary difference of $88,899,291 (2023 : $77,597,367) available for offset against future profits. A deferred tax asset has been recognised in respect of $8,886,933 (2023 : $4,199,698) of these tax losses and other temporary difference. No deferred tax asset has been recognised in respect of the remaining $80,012,358 (2023 : $73,397,669) of tax losses as it is not considered probable that there will be future taxable profits available.

Of the total unutilised tax losses and other temporary difference of $88,899,291 (2023 : $77,597,367), $9,307,073 (2023 : $7,379,952) will expire between 2025 to 2032. Other losses may be carried forward indefinitely subject to the conditions imposed by law including the retention of majority shareholders as defined

15. DERIVATIVE FINANCIAL INSTRUMENTS

	Group and Company			
	31.03.2024		31.03.2023	
	Assets	Liabilities	Assets	Liabilities
	$	$	$	$
USD - SGD cross currency swap	-	252,309	-	683,006
GBP - SGD cross currency swap	-	3,317,871	-	7,931,037
	-	3,570,180	-	8,614,043
Analysed as:				
- Non-current	-	-	-	8,614,043
- Current	-	3,570,180	-	-

USD - SGD cross currency swap

The Group enters into cross currency swap to manage the foreign currency risk associated with borrowing denominated in foreign currencies.

The Group performs a qualitative assessment of effectiveness and it is expected that the value of the cross currency swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates.

The following tables detail the cross currency swap contracts outstanding at the end of the current and prior financial years, as well as information regarding their related hedged items:

31.03.2024	Notional value : Foreign currency	Notional value	Fair value	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
	USD	$	$		$
Hedging instrument					
USD - SGD Cross-currency swap	5,535,000	7,468,376	252,309	Derivative – financial liability	(430,697)

31.03.2023	Notional value : Foreign currency	Notional value	Fair value	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
	USD	$	$		$
Hedging instrument					
USD - SGD Cross-currency swap	8,979,000	11,950,151	683,006	Derivative – financial liability	182,513

31.03.2024	Change in fair value used for measuring ineffectiveness	Balance in cash flow hedge reserve for continuing hedges	Balance in cash flow hedge reserve arising from hedging relationships for which hedge accounting is no longer applied
	$	$	$
Hedged item			
Borrowing in USD at LIBOR +2.10%	(430,697)	287,215	-

31.03.2023	Change in fair value used for measuring ineffectiveness	Balance in cash flow hedge reserve for continuing hedges	Balance in cash flow hedge reserve arising from hedging relationships for which hedge accounting is no longer applied
	$	$	$
Hedged item			
Borrowing in USD at LIBOR +2.10%	182,513	(399,656)	-

The following tables details the effectiveness of the hedging relationships and the amounts reclassified from hedging reserve to profit or loss in the current and prior financial years:

For the financial year ended 31 March 2024	Current period hedging gains (losses) recognised in OCI	Amount reclassified to profit or loss due to hedged item affecting Profit or (Loss)	Line item in profit or loss in which reclassification adjustment is included
	$	$	
Cash flow hedge			
Borrowing in USD at LIBOR +2.10%	686,872	(256,175)	Administrative expenses

For the financial year ended 31 March 2023	Current period hedging gains (losses) recognised in OCI	Amount reclassified to profit or loss due to hedged item affecting Profit or (Loss)	Line item in profit or loss in which reclassification adjustment is included
	$	$	
Cash flow hedge			
Borrowing in USD at LIBOR +2.10%	(20,995)	(161,517)	Administrative expenses

GBP - SGD cross currency swap

The Group enters into cross currency swap to manage the foreign currency risk associated with borrowing denominated in foreign currencies.

The Group performs a qualitative assessment of effectiveness and it is expected that the value of the cross currency swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates.

The following tables detail the cross currency swap contracts outstanding at the end of the current and prior financial years, as well as information regarding their related hedged items:

31.03.2024	Notional value	Notional value	Fair value	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
	GBP	$	$		$
Hedging instrument					
GBP - SGD Cross-currency swap	22,556,700	38,423,083	3,317,871	Derivative – financial liability	(4,613,166)

31.03.2023	Notional value	Notional value	Fair value	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
	GBP	$	$		$
Hedging instrument					
GBP - SGD Cross-currency swap	36,591,980	60,084,031	7,931,037	Derivative – financial liability	4,968,410

31.03.2024	Change in fair value used for measuring ineffectiveness	Balance in cash flow hedge reserve for continuing hedges	Balance in cash flow hedge reserve arising from hedging relationships for which hedge accounting is no longer applied
	$	$	$
Hedged item			
Borrowing in GBP at SONIA +2.1326%	(4,613,166)	915,034	-

31.03.2023	Change in fair value used for measuring ineffectiveness	Balance in cash flow hedge reserve for continuing hedges	Balance in cash flow hedge reserve arising from hedging relationships for which hedge accounting is no longer applied
	$	$	$
Hedged item			
Borrowing in GBP at SONIA +2.1326%	4,968,410	409,798	-

The following tables details the effectiveness of the hedging relationships and the amounts reclassified from hedging reserve to profit or loss in the current and prior financial year:

For the financial year ended 31 March 2024	Current period hedging gains (losses) recognised in OCI	Amount reclassified to profit or loss due to hedged item affecting Profit or (Loss)	Line item in profit or loss in which reclassification adjustment is included
	$	$	
Cash flow hedge			
Borrowing in GBP at SONIA +2.1326%	505,235	4,107,931	Administrative expenses

For the financial year ended 31 March 2023	Current period hedging gains (losses) recognised in OCI	Amount reclassified to profit or loss due to hedged item affecting Profit or (Loss)	Line item in profit or loss in which reclassification adjustment is included
	$	$	
Cash flow hedge			
Borrowing in GBP at SONIA +2.1326%	1,490,775	(6,459,186)	Administrative expenses

16a. TRADE AND OTHER RECEIVABLES

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	$	$	$	$
Trade and other receivables (current):				
Trade receivables	43,686,453	50,213,428	-	-
Amount due from subsidiary (trade)	-	-	3,685,355	4,132,611
Deposits	5,626,525	7,079,731	14,747	286,696
	49,312,978	57,293,159	3,700,102	4,419,307
Prepayments	824,529	491,662	428	30,506
Other tax receivables	1,021,660	2,536,186	16,219	82,855
Advances	931,573	182,757	3,716	72,613
Others	417,372	394,318	-	-
Deferred costs	104,843	-	-	-
	52,612,955	60,898,082	3,720,465	4,605,281
Other receivables (non-current):				
Deposits	280,716	272,927	-	-
Deferred costs	524,213	-	-	-
Others	-	13,100	-	-
	804,929	286,027	-	-
Total trade and other receivables (current and non-current)	53,417,884	61,184,109	3,720,465	4,605,281

Trade Receivable

Loss allowance for trade receivables has always been measured at an amount equal to lifetime ECL. The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. None of the trade receivables that have been written off is subject to enforcement activities.

The following table details the risk profile of trade receivables from contracts with customers based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

	Group Trade receivables - days past due				
2024	Not due	Past due 0 - 90 days	Past due 90 - 180 days	Past due more than 180 days	Total
Expected credit loss rate	0.0%	0.0%	0.0%	85%	
Estimated total gross carrying amount at default	34,441,378	8,434,312	334,654	3,165,465	46,375,809
Lifetime ECL credit impaired	-	-	-	(2,689,356)	(2,689,356)
					43,686,453

	Group Trade receivables - days past due				
2023	Not due	Past due 0 - 90 days	Past due 90 - 180 days	Past due more than 180 days	Total
Expected credit loss rate	0.0%	4.7%	1.8%	78.4%	
Estimated total gross carrying amount at default	38,064,883	10,833,554	875,249	4,466,087	54,239,773
Lifetime ECL	(3,782)	(6,260)	(4,302)	-	(14,344)
Lifetime ECL credit impaired	-	(498,460)	(11,203)	(3,502,338)	(4,012,001)
					50,213,428

Receivables that are impaired

The Group's trade receivables that are impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment are as follows:

	Group
	$
Balance as at 1 April 2022	3,438,338
Charge for the year	781,665
Amounts written off	(193,658)
At 31 March 2023	4,026,345
Reversal during the year	(705,128)
Amounts written off	(631,861)
At 31 March 2024	2,689,356

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

16b. CONTRACT ASSETS

Contract assets are initially recognised for revenue earned from freight forwarding services and warehouse services as receipt of consideration is conditional on successful completion of services. Upon completion of services and billing, the amounts recognised as contract assets are reclassified to trade receivables.

Management estimates the loss allowance on contract assets at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the industry. None of the amounts due from customers at the end of the reporting period is past due. There was no credit allowance provided for during the current and previous year.

There has been no change in the estimation techniques or significant assumptions made during the current year.

17. AMOUNT DUE FROM/(TO) A RELATED COMPANY AND AMOUNT DUE FROM/(TO) ULTIMATE HOLDING COMPANY

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	$	$	$	$
Current assets				
Amount due from a related company	3,405,249	1,264,385	998,932	109,514
Amount due from ultimate holding company	4,874,912	4,524,463	4,874,912	4,524,463
Loan to related companies	-	97,500	9,912,561	12,559,592
	8,280,161	5,886,348	15,786,405	17,193,569

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	$	$	$	$
Current liabilities				
Amount due to ultimate holding company	(8,340,805)	(5,766,391)	(8,340,805)	(5,766,391)
Amount due to a related company	(567,485)	(3,482,371)	(61,556)	(2,986,278)
	(8,908,290)	(9,248,762)	(8,402,361)	(8,752,669)

The amount due from a related company is unsecured, interest free and payable on demand. There is no allowance for doubtful recoverables arising from these outstanding balances.

The amount due from the ultimate holding company is unsecured, trade in nature, interest free and payable on demand. There is no allowance for doubtful recoverables arising from these outstanding balances.

The loan to related companies is unsecured, bears interest at rate of 3.3% to 7.0% (2023 : 4.6% to 7.0%) and payable on demand. There is no expected credit loss for doubtful recoverables arising from the outstanding balances.

For purpose of impairment assessment, the amount due from a related company and ultimate holding company; and loan to related companies are considered to have low credit risk as the timing of payment is controlled by the ultimate holding company taking into account cash flow management within the ultimate holding company's group of companies and there has been no significant increase in the risk of default on these balances since initial recognition. Accordingly, for the purpose of impairment assessment, the loss allowance is measured at an amount equal to 12-month ECL.

In determining the ECL, management has taken into account the financial position of ultimate holding company as well as the related companies, adjusted for factors that are specific to them and general economic conditions of the industry in which they operate, in estimating the probability of default of the receivable and loan as well as the loss upon default. Management determines the amount due from ultimate holding company and loan to related companies are subject to immaterial credit loss.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The amount due to ultimate holding company from the Group are unsecured, interest free and payable on demand.

The amount due to related companies from the Group are unsecured, interest free and payable on demand.

18. CASH AND CASH EQUIVALENTS

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	$	$	$	$
Bank balances	21,024,430	35,341,651	127,709	213,905
Cash on hand	15,834	37,622	-	-
Fixed deposits	286,386	-	-	-
	21,326,650	35,379,273	127,709	213,905

As at March 31, 2024, fixed deposits bore interest from 5.75% to 7.10% per annum and for a tenure of 6 to 15 months.

19. SHARE CAPITAL

	Group and Company	
	31.03.2024	31.03.2023
	$	$
Ordinary shares		
Fully paid ordinary shares, with no par values:		
Balance at beginning of the financial year	37,349,311	37,349,311
Shares issued during the year	75,886,365	-
Balance at end of the financial year	113,235,676	37,349,311

The holders of ordinary share are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

Issuance of ordinary shares

In November 2, 2023, the directors approved the issue of 6,325,435 ordinary shares to its immediate holding company at an exercise price of $4.60 per share.

In November 22, 2023, the directors approved the issue of 2,852,784 ordinary shares to its related company at an exercise price of $4.60 per share.

In November 22, 2023, the directors approved the issue of 1,843,000 ordinary shares to its related company at an exercise price of $4.60 per share.

In December 20, 2023, the directors approved the issue of 1,533,849 ordinary shares to its related company at an exercise price of $4.60 per share.

In February 23, 2024, the directors approved the issue of 369,587 ordinary shares to its related company at an exercise price of $4.60 per share.

In February 23, 2024, the directors approved the issue of 352,300 ordinary shares to its immediate holding company at an exercise price of $4.60 per share.

In March 21, 2024, the directors approved the issue of 1,334,035 ordinary shares to its related company at an exercise price of $4.60 per share.

In March 28, 2024, the directors approved the issue of 1,886,045 ordinary shares at an exercise price of $4.60 per share. The $8,675,807 quasi-equity loan from the related party was utilised to offset the amount due from the allotment of shares.

20a. CAPITAL RESERVE

Capital reserve brought forward from the prior year represents effects of changes in ownership interest in subsidiaries when there is no change in control and deemed capital contributions from the immediate holding company.

As disclosed in Note 29 Contingent Liability, there was legal dispute with previous shareholders of the NCI as at the end of the previous year, over the computation of consideration based on adjusted EBITDA of subsidiary at the point of NCI acquisition. During the year, the dispute was settled out of court for an amount of $5,242,115. This amount was paid through the deferred cash settlements of $546,227 (Note 21a) and the balance in cash of $4,695,888 which was adjusted to the related equity component attributrable to the Company, to reflect the total net gain/loss from the acquisition of NCI accounted for an equity transaction.

20b. CURRENCY TRANSLATION RESERVE

The currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

21a. TRADE AND OTHER PAYABLES

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	$	$	$	$
Trade and other payables (current):				
Trade payables	26,809,882	28,543,550	72,536	448,000
Amount due to subsidiaries	-	-	16,971,927	3,485,927
Accrued expenses	14,692,134	20,591,381	896,108	3,616,485
Other payables	1,444,834	1,429,038	-	-
Deferred cash settlements	-	546,227	-	-
Deposits	537,784	473,442	-	-
Contract liabilities	286,302	-	-	-
	43,770,936	51,583,638	17,940,571	7,550,412
Other tax liabilities	1,355,690	1,937,599	31,196	41,607
	45,126,626	53,521,237	17,971,767	7,592,019
Other payables (non-current):				
Deposits	327,993	1,666,750	-	-
Deferred income	1,431,509	-	-	-
	1,759,502	1,666,750	-	-

The average credit period on purchases of goods is 30 days (31 March 2023 : 30 days). No interest is charged on outstanding balance.

21b. PROVISIONS

	Group	
	31.03.2024	31.03.2023
	$	$
Current:		
Provision for leave entitlement	1,152,778	1,437,066
Provision for social security contributions	599,637	685,639
	1,752,415	2,122,705
Non-current:		
Provision for leave entitlement	90,792	108,868
Provision for retirement benefit (Note 22)	651,332	707,418
Provision for restoration	2,747,087	2,597,298
	3,489,211	3,413,584

22. RETIREMENT BENEFIT OBLIGATIONS

The Group has defined benefit plans for qualifying employees from the following subsidiaries - PT TVS SCS Indonesia, TVS SCS (Korea) Ltd, TVS SCS Logistics (Thailand) Limited and TVS SCS Logistics Management Co., Ltd.

The amount recognised in the consolidated statements of financial position in respect of the Group's defined benefit plans are as follows:

	Group	
	31.03.2024	31.03.2023
	$	$
Net liability arising from defined benefit obligations	651,332	707,418

The amount recognised in total comprehensive income in respect of the Group's defined benefit plans are as follows:

	Group	
	2024	2023
	$	$
Current service cost	276,213	271,369
Net interest expense	1,137	21,231
Past Service Cost	-	(96,451)
Exchange (gain) loss	21,217	(405)
Components of defined benefit costs recognised in profit or loss	298,567	195,744
Remeasurement on net defined liability	-	-
Components of defined benefit costs recognised in other comprehensive income	2,641	(51,484)
Total	301,208	144,260

The current service cost and the net interest expense for the year are included in the employee benefits expense in profit or loss for the year.

The net actuarial gain is recognised in profit or loss and remeasurement of the net defined benefit liability is included in other comprehensive income.

Movements in the net liability arising from defined benefit obligation in the current are as follows:

	Group	
	31.03.2024	31.03.2023
	$	$
Opening defined benefit obligation	707,418	889,420
Current service cost	276,213	271,369
Past Service Cost	-	(96,451)
Interest cost	1,137	21,231
Exchange (gain) loss	21,217	(405)
Actuarial (gains) losses recognised in other comprehensive income	2,641	(51,484)
Benefits paid	(357,294)	(326,262)
Closing defined benefit obligation	651,332	707,418

The actuarial valuation was carried out by an independent valuer as of 31 December 2023 for TVS SCS Indonesia, as of 31 March 2024 for TVS SCS (Korea) Ltd and TVS SCS Logistics (Thailand) Limited. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. The actuarial valuation was carried out using the following key assumptions:

	Group	
	2024	2023
Discount rate at the date of valuation	2.51%-7.10%	1.4%-7.55%
Long-term salary increase	3%-8%	4%-8%

23. BORROWINGS

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	$	$	$	$
Non-current				
Bank term loan	-	43,703,488	-	43,703,488
Current				
Bank term loan	-	27,629,549	-	27,629,549
Revolving credit facility	7,146,900	-	-	-
Loan from related company	46,862,381	46,010,855	46,862,381	46,010,855
Loan from subsidiary	-	-	1,759,400	-
	54,009,281	73,640,404	48,621,781	73,640,404
	54,009,281	117,343,892	48,621,781	117,343,892

Bank term loan

The bank term loan is repayable between March 2023 and March 2025. The term loan is secured by the assets of the Company and its material subsidiaries as defined in the banking facility agreement. It is also secured by the guarantee provided by TVS Supply Chain Solutions Limited ("ultimate holding company") and carries interest at 2.1% plus 1-month LIBOR rate and 2.1326% plus 1-month SONIA rate (31 March 2023 : 2.1326% plus 1-month SONIA rate or 2.1% plus 1-month LIBOR rate).

The Company has repaid the bank term loan during the year.

Revolving credit facility

The revolving credit facility is secured by the corporate guarantee provided by TVS Supply Chain Solutions Limited ("ultimate holding company") and carries interest at an average of 2% plus 1-month SORA rate.

Under the banking facility agreement, the Company and its material subsidiaries is a guarantor for any cross-defaults by related companies. The ultimate holding company and its subsidiaries have not defaulted on any of the financial and non-financial covenants as at 31 March 2024.

Loan from related company

The loan from related company is unsecured and repayable on demand. The loan from related company carries interest rate of 7.31% (2023 : 9%) per annum.

Reconciliation of liabilities arising from financing activities

Group

	31 March 2023	Financing cash flows	New lease liabilities	Rent concessios	Other changes(i)	31 March 2024
	$	$	$	$	$	$
Bank borrowings	71,333,037	(67,157,733)	-	-	2,971,596	7,146,900
Lease liabilities	29,687,500	(17,423,040)	46,462,885	-	(244,668)	58,482,677
Loan from related company	46,010,855	8,200,812	-	-	(7,349,286)	46,862,381
Amount due to related company	3,482,371	(2,914,886)	-	-	-	567,485
	150,513,763	(79,294,847)	46,462,885	-	(4,622,358)	113,059,443

	31 March 2022	Financing cash flows	New lease liabilities	Rent concessios	Other changes(i)	31 March 2023
	$	$	$	$	$	$
Bank borrowings	99,235,526	(23,715,741)	-	-	(4,186,748)	71,333,037
Lease liabilities	35,120,743	(17,587,614)	13,253,529	(13,139)	(1,086,019)	29,687,500
Loan from related company	33,147,481	14,525,828	-	-	(1,662,454)	46,010,855
Amount due to related company	1,712,602	1,769,769	-	-	-	3,482,371
	169,216,352	(25,007,758)	13,253,529	(13,139)	(6,935,221)	150,513,763

Company

	31 March 2023	Financing cash flows	Other changes[(i)]	31 March 2024
	$	$	$	$
Bank borrowings	71,333,037	(74,304,633)	2,971,596	-
Loan from related company	46,010,855	9,527,333	(8,675,807)	46,862,381
Loan from subsidiary	-	1,759,400	-	1,759,400
Amount due to related company	2,986,278	(2,924,722)	-	61,556
	120,330,170	(65,942,622)	(5,704,211)	48,683,337

	31 March 2022	Financing cash flows	Other changes(i)	31 March 2023
	$	$	$	$
Bank borrowings	99,235,526	(23,715,741)	(4,186,748)	71,333,037
Loan from related company	33,147,481	14,525,829	(1,662,455)	46,010,855
Amount due to related company	427,103	2,559,175	-	2,986,278
	132,810,110	(6,630,738)	(5,849,202)	120,330,170

[(i)] Other changes include foreign exchange gain, amortisation of transaction cost on borrowing and equity conversion of $8,675,807.

24. LEASE LIABILITIES

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	$	$	$	$
Maturity analysis:				
Year 1	17,969,179	17,267,678	-	-
Year 2	15,516,209	6,368,091	-	-
Year 3	13,878,196	3,899,922	-	-
Year 4	8,862,953	3,551,257	-	-
Year 5	8,578,253	333,670	-	-
Year 6	4,366	-	-	-
Less: Unearned interest	(6,326,479)	(1,733,118)	-	-
	58,482,677	29,687,500	-	-
Analysis as:				
Current	15,392,829	16,289,891	-	-
Non-current	43,089,848	13,397,609	-	-
	58,482,677	29,687,500	-	-

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group’s treasury function.

25. RELATED COMPANY AND RELATED PARTY TRANSACTIONS

The Company is a subsidiary of TVS Supply Chain Solutions Limited, ultimate holding company, is incorporated in India.

(a) Related company transactions

Related companies in these financial statements refer to members of the ultimate holding company's group of companies. The balances are unsecured, interest-free, repayable on demand and expected to be settled in cash unless otherwise stated.

Sale and purchase of goods and services

In addition to the related companies information disclosed elsewhere in the financial statements, the following are significant transactions with related companies at mutually agreed amounts:

	2024	2023
	$	$
Income from logistics services:		
Related companies	7,419,637	6,373,082
Freight charges:		
Related companies	2,261,370	5,636,257
Finance and Guarantee fee cost:		
Ultimate holding company	646,699	1,054,378
Related companies	4,146,345	2,577,986
Management fee:		
Ultimate holding company	1,731,607	2,865,694

(b) Related party transactions

Related parties in these financial statements refer to the key management personnel of the Company.

Key management personnel compensation

	2024	2023
	$	$
Short-term employee benefits	2,790,407	1,667,803
Long term incentives	-	540,000
	2,790,407	2,207,803

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, market risk, interest rate risk and foreign currency risk.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to those financial risks or the manners in which it manages and measures the risks.

Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	$	$	$	$
Financial assets				
At amortised cost	85,996,423	104,944,689	19,614,216	21,826,781
Financial liabilities				
Amortised cost	106,730,198	179,296,815	74,964,713	133,646,973
Lease liabilities	58,482,677	29,687,500	-	-
Derivative instruments:				
Designated in hedge accounting relationship	3,570,180	8,614,043	3,570,180	8,614,043
	168,783,055	217,598,358	78,534,893	142,261,016

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 March 2024, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the group arises mainly from the carrying amount of financial assets in the statement of financial position. The Group does not hold any collateral in respect of its financial assets.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognizing ECL
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL (other than trade receivables without significant financing component and contract assets)
Doubtful	Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
In default	Amount is > 90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Group's financial assets and contract assets, as well as the Group's maximum exposure to credit risk by credit risk grades:

	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount/ credit exposure	Loss allowance	Net carrying amount/ credit exposure
					$	$	$
Group							
31.03.2024							
Trade receivables	16a.	n.a.	(i)	Lifetime ECL (simplified approach)	46,375,809	(2,689,356)	43,686,453
Other receivables	16a.	n.a.	Performing	12-month ECL	7,256,186	-	7,256,186
Amount due from ultimate holding company	17	n.a.	Performing	12-month ECL	4,874,912	-	4,874,912
Amount due from related company	17	n.a.	Performing	12-month ECL	3,405,249	-	3,405,249
Contract assets	16b.	n.a.	(i)	12-month ECL	5,446,973	-	5,446,973
						(2,689,356)	

	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount/ credit exposure	Loss allowance	Net carrying amount/ credit exposure
					$	$	$
Group							
31.03.2023							
Trade receivables	16a	n.a.	(i)	Lifetime ECL (simplified approach)	54,239,773	(4,026,345)	50,213,428
Other receivables	16a	n.a	Performing	12-month ECL	7,942,833	-	7,942,833
Amount due from ultimate holding company	17	n.a.	Performing	12-month ECL	4,524,463	-	4,524,463
Amount due from related company	17	n.a.	Performing	12-month ECL	1,264,385	-	1,264,385
Loan to related companies	17	n.a.	Performing	12-month ECL	97,500	-	97,500
Contract assets	16b	n.a.	(i)	Lifetime ECL (simplified approach)	5,522,807	-	5,522,807
						(4,026,345)	

	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount/ credit exposure	Loss allowance	Net carrying amount/ credit exposure
					$	$	$
Company							
31.03.2024							
Trade receivables	16a	n.a.	(i)	Lifetime ECL (simplified approach)	3,685,355	-	3,685,355
Other receivables	16a	n.a	Performing	12-month ECL	14,747	-	14,747
Amount due from ultimate holding company	17	n.a.	Performing	12-month ECL	4,874,912	-	4,874,912
Amount due from related company	17	n.a.	Performing	12-month ECL	998,932	-	998,932
Loan to related companies	17	n.a.	Performing	12-month ECL	9,912,561	-	9,912,561
						-	

	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount/ credit exposure	Loss allowance	Net carrying amount/ credit exposure
					$	$	$
31.03.2023							
Trade receivables	16a	n.a.	(i)	Lifetime ECL (simplified approach)	4,132,611	-	4,132,611
Other receivables	16a	n.a	Performing	12-month ECL	286,696	-	286,696
Amount due from ultimate holding company	17	n.a.	Performing	12-month ECL	4,524,463	-	4,524,463
Amount due from related company	17	n.a.	Performing	12-month ECL	109,514	-	109,514
Loan to related companies	17	n.a.	Performing	12-month ECL	12,559,592	-	12,559,592
						-	

(i) For Trade receivables, the Group and Company has applied the simplified approach in FRS 109 to measure the loss allowance at Lifetime ECL. The Group determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. A credit policy in place which establishes credit limits for customers and monitors their balances on an on-going basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

As at 31 March 2024, the Group has concentration of credit risk in 5 (31 March 2023 : 5) major trade debtors representing approximately 17.48% (31 March 2023 : 29.6%) of total trade receivables. The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the statement of financial position.

The Group does not require collateral in respect of trade and other receivables.

The allowance account in respect of trade and other receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Cash and fixed deposits are placed with banks and approved financial institutions.

Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group and the Company's approach to managing liquidity are to ensure, as far as possible, that they will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group and the Company's reputation.

As at the end of the reporting period, the Group's current liabilities exceed its current assets by $42,196,679 (31 March 2023 : $47,919,881). The net current liabilities position arose mainly due to loans from a related company, current portion of the bank borrowings and the lease liabilities which are due to mature in the next 12 months.

The Group's policy are to regularly monitor current and expected liquidity requirements and the compliance with lending covenants by the ultimate holding company by reviewing each operating entity's cash flow forecast, to ensure that the Group maintains sufficient reserves of cash, internally generated cash flows, bank borrowing and loans from a related company and financial support from its holding company to meet its liquidity requirements in the short and longer term. The holding company has provided an undertaking to provide continuing financial support to the Group, including not to recall on any amounts owing to the holding company or any of the related companies outside the Group, to enable the Group to continue as a going concern.

Non-derivative financial liabilities

The following tables detail the Group's and Company's remaining contractual maturity for non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The table includes both interest and principal cash flows.

	Weighted average effective interest rate	Within 1 year	Within 2 to 5 years	Adjustment	Total
	%	$	$	$	$
Group					
31.03.2024					
Non-interest bearing		52,392,924	327,993	-	52,720,917
Loan from related party (fixed)	7.31%	50,288,021	-	(3,425,640)	46,862,381
Borrowings (variable)	5.65% to 6.15%	7,568,238	-	(421,338)	7,146,900
Lease liabilities (fixed)	3%-9%	17,969,179	46,839,977	(6,326,479)	58,482,677

	Weighted average effective interest rate	Within 1 year	Within 2 to 5 years	Adjustment	Total
	%	$	$	$	$
Group					
31.03.2023					
Non-interest bearing	-	60,286,173	1,666,750	-	61,952,923
Loan from related party (fixed)	9%	50,381,886	-	(4,371,031)	46,010,855
Borrowings (variable)	4.23% to 5.04%	31,374,804	45,844,014	(5,885,781)	71,333,037
Lease liabilities (fixed)	3%-9%	17,267,678	14,152,940	(1,733,118)	29,687,500

	Weighted average effective interest rate	Within 1 year	Within 2 to 5 years	Adjustment	Total
		$	$	$	$
Company					
31.03.2024					
Non-interest bearing	-	26,342,932	-	-	26,342,932
Loan from related party	7.31%	50,288,021	-	(3,425,640)	46,862,381
Loan from subsidiary	6%	1,864,964	-	(105,564)	1,759,400
31.03.2023					
Non-interest bearing	-	16,303,081	-	-	16,303,081
Loan from related party	9%	50,381,886	-	(4,371,031)	46,010,855
Borrowings	4.23% to 5.04%	31,374,804	45,844,014	(5,885,781)	71,333,037

Non-derivative financial assets

All non-derivative financial assets of the Group are non-interest bearing.

Derivative financial instruments

The following table details the liquidity analysis for derivative financial instruments. The table has been drawn up based on the undiscounted net cash inflows (outflows) on the derivative instrument that settle on a net basis and the undiscounted gross inflows and (outflows) on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the end of the financial year.

	Carrying amount	Contractual cash flows	Within 1 year	Within 2 to 5 years
	$	$	$	$
Group and Company				
31 March 2024				
Derivative - Financial liability	3,570,180	3,570,180	3,570,180	-
31 March 2023				
Derivative - Financial liability	8,614,043	8,614,043	-	8,614,043

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and equity prices will affect the Group and the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Group and the Company's exposure to market risk for changes in interest rates relate primarily to the Group and the Company's cash and cash equivalents and debt obligations. Interest rate risk is managed by the Group and the Company on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates.

The Group and the Company adopt a policy of managing its interest rate exposure by maintaining a mix of debt portfolio with both fixed and floating rates of interest.

Exposure to interest rate risk

At the reporting date, the interest rate profile of the Group and the Company's interest bearing financial instruments are:

	Note	31.03.2024	31.03.2023
Group		$	$
Financial assets			
Fixed rate instruments			
Loan to related companies	17	-	97,500
Financial liabilities			
Fixed rate instruments			
Borrowings	23	46,862,381	46,010,855
Lease liabilities	24	58,482,677	29,687,500
		105,345,058	75,698,355
Variable rate instruments			
Borrowings	23	7,146,900	71,333,037

	Note	31.03.2024	31.03.2023
Company		$	$
Financial assets			
Fixed rate instruments			
Loan to related companies	17	9,912,561	12,559,592
Financial liabilities			
Fixed rate instruments			
Borrowings	23	46,862,381	46,010,855
Loan from subsidiary	23	1,759,400	-
Variable rate instruments			
Borrowings	23	-	71,333,037

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, in respect of the fixed rate instruments, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

For the variable rate financial assets and liabilities, a change of 100 basis points (bp) in interest rate at the reporting date would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2023.

	Profit or loss	
	100 bp Increase	100 bp Decrease
	$	$
Group		
31 March 2024		
Variable rate instruments	71,469	(71,469)
31 March 2023		
Variable rate instruments	713,330	(713,330)

	Profit or loss	
	100 bp Increase	100 bp Decrease
	$	$
Company		
31 March 2024		
Variable rate instruments	-	-
31 March 2023		
Variable rate instruments	713,330	(713,330)

Foreign currency risk

Foreign exchange risk arises from a change in foreign currency exchange rate, which is expected to have an adverse effect on the Group in the current reporting period and in future years. The Group operates in several countries and subsidiary, associated and joint venture companies within the Group maintain their books and records in their respective functional currencies. Fluctuations in the exchange rate between the functional currencies and Singapore Dollar will therefore have an impact on the Group. It is the Group's policy not to hedge exposures arising from such translations. The Group's strategy is to fund overseas operations with borrowings denominated in their functional currencies as a natural hedge against overseas assets.

The Group is also exposed to the volatility in the foreign currency cash flows related to repatriation of the investments in and advances to its subsidiary companies. The Group does not hedge exposures arising from such risks.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Liabilities		Assets	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	$	$	$	$
USD	3,008,219*	9,827,949#	13,463,686	19,857,000
EUR	24,628,824	23,574,964	29,783,888	28,896,124
AUD	9,453,701	8,164,890	8,376,140	9,531,000
GBP	816,522*	32,450,968#	20,635	10,000

* Loan from related company denominated in USD 5,535,000 (equivalent to $7,468,376) and GBP 22,556,700 (equivalent to $38,423,083) are not included as foreign currency risk has been hedged using a cross currency swap.

\# Bank term loan denominated in USD 8,979,000 (equivalent to $11,950,151) and GBP 36,591,980 (equivalent to $60,084,031) are not included as foreign currency risk has been hedged using a cross currency swap.

A 5% strengthening of the Singapore dollar against the following currencies as at 31 March would have increased/(decreased) profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2023.

	Profit or loss	
	31.03.2024	31.03.2023
	$	$
USD	522,773	501,453
EUR	257,753	266,058
AUD	(53,878)	68,306
GBP	(39,794)	(1,622,048)

A 5% weakening of Singapore dollar against the above currencies at 31 March would have had the equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remain constant.

27. FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments whose carrying amounts approximate fair value

The directors are of the view that the fair values of the financial assets and liabilities with a maturity period of less than one (1) year approximate their carrying amounts as disclosed in the statements of financial position and in the notes to the financial statements due to the short period to maturity.

Some of the Group's financial assets and financial liabilities are measured at fair value as at each reporting date. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets/ financial liabities	**Fair value as at**							
	2024		**2023**					
Derivative financial instruments	**Asset**	**Liability**	**Asset**	**Liability**	**Fair value hierarchy**	**Valuation technique(s) and key input(s)**	**Significant unobservable input(s)**	**Relationship and sensitivity of unobservable inputs to fair value**
	$	$	$	$				
Cross-currency swap	-	3,570,180	-	8,614,043	Level 2	Discounted cash flow Future cash flows are estimated based on exchange rates over the period of derivative maturity dates, discounted at a rate that reflects the credit risk of various counterparties.	N/A	N/A

28. CAPITAL MANAGEMENT

The Board defines capital to include share capital, accumulated profits and other reserves. The Board's objective is to maintain a sound capital base so as to sustain the future development and expansion of the Group's business in order to maintain investor and creditor confidence in the Group.

The Group monitors capital using net debt-to-equity ratio. This ratio is calculated as total borrowings (excluding lease liabilities), net of cash and cash equivalents, divided by total shareholders' equity. The net debt-to-equity ratio was 2.190 as at 31 March 2024 (2023 : negative 1.920).

There were no changes in the Group's approach to capital management during the financial year.

29. CONTINGENT LIABILITY

As at the end of the previous financial year, the Group was part of a litigation with the erstwhile shareholders of the Transtar group in connection with determination of EBITDA as per the terms of the share purchase agreement (second completion amounts) for the acquisition of the balance minority shareholding (45%). The dispute was pending with the Supreme Court of Victoria. During the year ended March 31, 2024, the dispute was settled as disclosed in Note 20a.

30. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2024 were authorised for issue in accordance with a resolution of the directors on 24 May 2024.

<u>TVS America Inc.</u>

FY 2023-24

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors
TVS Supply Chain Solutions Limited
(Ultimate Holding Company of TVS America Inc)

Report on the Audit of the Special Purpose Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying special purpose standalone Ind AS financial statements of TVS America Inc. ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose standalone Ind AS financial statements 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 March 31, 2024, its loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the special purpose standalone Ind AS financial statements in accordance with the generally accepted Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Special Purpose Standalone Ind AS 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the special purpose standalone Ind AS financial statements.

Responsibility of Management for the Special Purpose Standalone Ind AS Financial Statements

The Board of Directors of TVS Supply Chain Solutions Limited and TVS America Inc are responsible for the preparation of these special purpose standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company that give a true and fair view in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 special purpose standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose standalone Ind AS financial statements, the Board of Directors of TVS Supply Chain Solutions Limited and TVS America Inc 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. Those Board of Directors (TVS Supply Chain Solutions Limited and TVS America Inc) are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose standalone Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the special purpose standalone Ind AS financial statements, including the disclosures, and whether the special purpose standalone Ind AS 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 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.

Other Matters - Restriction on use

These special purpose standalone Ind AS financial statements are prepared to assist TVS Supply Chain Solutions Limited and the Company in regulatory filings with the Reserve Bank of India. Accordingly, these special purpose standalone Ind AS financial statements are not suitable for any other purposes and should not be used by or distributed to parties other than as aforesaid.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

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per Bharath N S
Partner

Membership Number: 210934
Place of Signature: Chennai
Date: May 27, 2024
UDIN: 24210934BKFUNF9084

TVS America Inc.
Standalone Balance Sheet as at 31 March 2024
(All amounts are in United States Dollar (USD) except share data and otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Current Assets			
Financial assets			
Trade receivables	4	-	-
Total current assets		**-**	**-**
Total Assets		**-**	**-**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5A	11,00,000	11,00,000
Other Equity	5C	(20,08,587)	(20,00,791)
Total Equity		**(9,08,587)**	**(9,00,791)**
Liabilities			
Current liabilities			
Financial Liabilities			
Borrowings	6	7,79,630	7,79,630
Trade payables	7	40,337	40,337
Other financial liabilities	8	88,620	80,824
Total current liabilities		**9,08,587**	**9,00,791**
Total liabilities		**9,08,587**	**9,00,791**
Total Equity and liabilities		**-**	**-**

The notes from 1 to 12 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

for and on behalf of the board of directors of
TVS America Inc.

Richard Vieites
Director

Place : St Louis, Missouri
Date : May 27, 2024

TVS America Inc.
Standalone statement of profit and loss for the year ended 31 March 2024
(All amounts are in United States Dollar (USD) except share data and otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Expenses			
Finance costs - Interest expense	9	7,796	7,796
Total expenses		**7,796**	**7,796**
Profit/(Loss) before income tax		**(7,796)**	**(7,796)**
Income tax expense		-	-
Profit/(Loss) for the year		**(7,796)**	**(7,796)**
Earnings per share			
Basic and diluted earnings per share (USD)	5B	(7.80)	(7.80)

The notes from 1 to 12 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

for and on behalf of the board of directors of
TVS America Inc.

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

Richard Vieites
Director

Place : St Louis, Missouri
Date : May 27, 2024

TVS America Inc.
Standalone statement of cash flows for the year ended 31 March 2024
(All amounts are in United States Dollar (USD) except share data and otherwise stated)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from operating activities			
Profit/(Loss) before tax		(7,796)	(7,796)
Adjustments for:			
Finance costs		7,796	7,796
Cash used from operating activities		**-**	**-**
Cash flows from investing activities		-	-
Cash flows from financing activities		-	-
Net decrease in cash and cash equivalents		**-**	**-**
Cash and cash equivalents at the beginning of the year		-	-
Effect of exchange rate fluctuations on cash held		-	-
Cash and cash equivalents at the end of the year		**-**	**-**

The notes from 1 to 12 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

for and on behalf of the board of directors of
TVS America Inc.

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

Richard Vieites
Director

Place : St Louis, Missouri
Date : May 27, 2024

TVS America Inc.
Standalone statement of changes in equity for the year ended 31 March 2024
(All amounts are in United States Dollar (USD) except share data and otherwise stated)

Total Equity	**Equity Share Capital**	**Retained earnings**	**Total**
Balance as at April 1, 2022	11,00,000	(19,92,995)	(8,92,995)
Changes in equity share capital during the year 2022-23	-	-	-
Total comprehensive income for the year ended 31 March 2023			
Profit/(Loss) for the year	-	(7,796)	(7,796)
Total comprehensive income	**-**	**(7,796)**	**(7,796)**
Balance at 31 March 2023	**11,00,000**	**(20,00,791)**	**(9,00,791)**
Changes in equity share capital during the year 2023-24	-	-	-
Total comprehensive income for the year ended 31 March 2024			
Profit/(Loss) for the year	-	(7,796)	(7,796)
Total comprehensive income	**-**	**(7,796)**	**(7,796)**
Balance at 31 March 2024	**11,00,000**	**(20,08,587)**	**(9,08,587)**

The notes from 1 to 12 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

for and on behalf of the board of directors of
TVS America Inc.

Richard Vieites
Director

Place : St Louis, Missouri
Date : May 27, 2024

1 Reporting entity

TVS America Inc. ("TVS America" or the "Company") is a wholly owned subsidiary of TVS Logistics Investments USA, Inc. ("TVS LI USA" or the "holding company"), located in USA which holds 51% interest and TVS Supply Chain Solutions Limited ("TVS SCS" or the "Ultimate holding company"), located in Chennai, India holds the balance 49% interest.

2 Basis of preparation

A Statement of compliance and going concern

These special purpose standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the Indian regulatory reporting requirements. Consequently, these financial statements do not purport to be, and are not prepared to comply with the requirements of the Companies Act, 2013 and include only those disclosures prescribed under the Companies Act, 2013 as the management deems relevant. The standalone financial statements are presented in US Dollars ("USD"), except when otherwise indicated.

As at March 31 2024, the net worth of the Company is fully eroded on account of operational losses. The current liabilities predominantly comprise of borrowings from its group companies. The Company has made a detailed assessment of its liquidity position using available information, estimates and judgements.

Further the Parent Company has provided letter of support necessary to sustain the operations in the foreseeable future to meet the Company's obligation as and when they fall due, if any. Based on the foregoing, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future. Accordingly, these special purpose standalone financial statements have been prepared on a going concern basis.

Details of the Company's accounting policies are included in Note 3.

The above special purpose standalone financial statements for the year ended March 31, 2024 were approved by the board of directors on May 27, 2024.

B Functional and presentation currency

These standalone financial statements are presented in United States Dollars (USD) which is also the Company's functional currency. All amounts have been rounded-off to the nearest dollars, unless otherwise indicated.

C Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value

D Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2024 is included wherever relevant.

E Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuation meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2 Basis of preparation (continued)

E Measurement of fair values (continued)

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 11 – financial instruments

F Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless 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 current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

3 Material accounting policies

A Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

− amortised cost;
− FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

− the asset is held within a business model whose objective is to hold assets 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.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in of profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

B Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is ‘credit - impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

3 Material accounting policies (continued)

B Impairment (continued)

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

Measurement of expected credit losses
Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

C Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

D Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

E Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3 Material accounting policies (continued)

F New and amended standards

Changes in accounting standards and disclosures

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

The amendments are not expected to have a material impact on the Company's financial statements.

G Standards notified but not yet effective

There are no such Standards which are notified but not yet effective.

(All amounts are in United States Dollar (USD) except share data and otherwise stated)

4 Trade receivables

	31 March 2024	31 March 2023
Trade Receivables - credit impaired	71,096	71,096
Loss allowance		
Trade Receivables - credit impaired	(71,096)	(71,096)
Net trade receivables	-	-

5A Share capital

	31 March 2024	31 March 2023
Authorised share capital		
60,000 (31 March 2023: 60,000) Common stock of USD Nil par value		
Issued		
Common stock		
1000 (31 March 2023: 1000) Common stock	11,00,000	11,00,000
	11,00,000	**11,00,000**
Issued, Subscribed and Paid up		
Equity shares		
1000 (31 March 2023: 1000) Common stock	11,00,000	11,00,000
	11,00,000	**11,00,000**

a. Reconciliation of shares outstanding at the beginning and at end of the reporting period

	31 March 2024		31 March 2023	
	Nos	USD	Nos	USD
Equity shares				
At the beginning of the year	1,000.00	11,00,000.00	1,000.00	11,00,000.00
Movements during the year	-	-	-	-
Outstanding at the end of the year	**1,000.00**	**11,00,000.00**	**1,000.00**	**11,00,000.00**

b. Terms/rights attached to equity shares

The Company has one class of equity shares. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company

	31 March 2024		31 March 2023	
	Number of shares	% holding	Number of shares	% holding
TVS Supply Chain Solutions Limited	490	49%	490	49%
TVS Logistics Investments USA, Inc.	510	51%	510	51%

5B Earnings per share

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

		31 March 2024	31 March 2023
(i)	**Profit (loss) attributable to equity shareholders**		
	Profit (loss) for the year, attributable to the equity holders	(7,796)	(7,796)
(ii)	**Weighted average number of equity shares**		
	Weighted average number of equity shares outstanding during the year	1,000	1,000
	Weighted average number of equity shares for the year	**1,000**	**1,000**
(iii)	**Basic and diluted earnings per share (USD)**	(7.80)	(7.80)

(All amounts are in United States Dollar (USD) except share data and otherwise stated)

5C	Other equity	31 March 2024	31 March 2023
	Surplus	(20,00,791)	(19,92,995)
	Profit/(loss) for the year	(7,796)	(7,796)
		(20,08,587)	**(20,00,791)**

6	Borrowings - Current	31 March 2024	31 March 2023
	Loan from related parties		
	Unsecured Interest charged loans	7,79,630	7,79,630
		7,79,630	**7,79,630**

A. Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

	Currency	Nominal Interest rate	Carrying amount as at 31 March 2024	Carrying amount as at 31 March 2023
Unsecured loans repayable on demand from related parties				
TVS Logistics Investments USA, Inc.	**USD**	1.00%	7,79,630	7,79,630
			7,79,630	7,79,630

B. Unsecured term loans from related parties

Unsecured loan from holding company

Loan amounting to $ 779,630 was taken by the Company from its holding company 'TVS Logistics Investment USA Inc.' and is repayable as and when demanded by the holding company. The loan carries an effective interest rate of 1 % p.a

7	Trade payables	31 March 2024	31 March 2023
	Trade and other payables	40,337	40,337
		40,337	**40,337**

8	Other financial liabilities - Current	31 March 2024	31 March 2023
	Interest accrued and due on borrowings	88,620	80,824
		88,620	**80,824**

(All amounts are in United States Dollar (USD) except share data and otherwise stated)

9	**Finance costs**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
	Interest expense on financial liabilities measured at amortised cost	7,796	7,796
		7,796	**7,796**

10 Related party disclosures

A. Enterprise having significant	TVS Mobility Private Limited
B. Ultimate Holding company	TVS Supply Chain Solutions Limited
C. Holding company	TVS Logistics Investments USA Inc.
D. Fellow subsidiaries	TVS Supply Chain Solutions North America Inc., USA TVS Transportation Solutions LLC, USA TVS Supply Chain Solutions De Mexico S.A de C.V., Mexico TVS Packaging Solutions Inc. US

Transactions during the year	**Year ended 31 March 2024**	**Year ended 31 March 2023**
Interest expense		
TVS Logistics Investments USA, Inc.	7,796	7,796
Year end balances:		
Loans payable to		
TVS Logistics Investments USA, Inc.	7,79,630	7,79,630
Interest payable		
TVS Logistics Investments USA, Inc.	88,620	80,824

(All amounts are in United States Dollar (USD) except share data and otherwise stated)

11 Financial instruments - Fair values and risk management

A. Accounting classification and fair values and fair value hierarchy

This section explains the carrying amounts and fair values of financial assets and liabilities, including judgements and estimates made in determining the fair values of the standalone financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as described in note 3.

	Note	Carrying amount					
		31 March 2024			31 March 2023		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets not measured at fair value							
Trade receivable	4	-	-	-	-	-	-
Cash and cash equivalents	5	-	-	-	-	-	-
Total		-	-	-	-	-	-
Financial liabilities not measured at fair value							
Borrowings	7	-	-	7,79,630	-	-	7,79,630
Trade payables	8	-	-	40,337	-	-	40,337
Other financial liabilities	9	-	-	88,620	-	-	80,824
Total		-	-	**9,08,587**	-	-	**9,00,791**

Note: The Company has not disclosed fair values of financial instruments such as cash and cash equivalents borrowings, trade payables, other financial liabilities because their carrying amounts are reasonable approximations of their fair values. The Company has also not disclosed fair values of investments carried at cost.

11 Financial instruments - Fair values and risk management (continued)

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- liquidity risk; and
- market risk

i. Risk management framework

The Company’s board of directors has overall responsibility for the establishment and oversight of the Company’s risk management framework. The board of directors along with the senior management are responsible for developing and monitoring the Company’s risk management policies.

The Company’s risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company’s activities. the Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. the Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company’s trade receivables, certain loans and advances and other financial assets.

The balance of trade & other receivables is $ Nil as at 31 March 2024 (31 March 2023: $ Nil)

(All amounts are in United States Dollar (USD) except share data and otherwise stated)

11 Financial instruments - Fair values and risk management (continued)
B. Financial risk management (continued)

ii. Credit risk (contd.)

Cash and cash equivalents and other bank balances
The Company holds bank balances of $ Nil as at 31 March 2024 (31 March 2023: $ Nil). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk
The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

		Contractual cash flows				
	Carrying amount	**Total**	**1 year or less**	**1-2 years**	**2-5 years**	**More than 5 years**
31 March 2024						
Non derivative financial liabilities						
Current borrowings						
Unsecured term loans from related parties	7,79,630	7,79,630	7,79,630	-	-	-
Others						
Trade payable	40,337	40,337	40,337	-	-	-
Other financial liabilities	88,620	88,620	88,620	-	-	-
	9,08,587	**9,08,587**	**9,08,587**	**-**	**-**	**-**

		Contractual cash flows				
	Carrying amount	**Total**	**1 year or less**	**1-2 years**	**2-5 years**	**More than 5 years**
31 March 2023						
Non derivative financial liabilities						
Current borrowings						
Unsecured term loans from related parties	7,79,630	7,79,630	7,79,630	-	-	-
Others						
Trade payables	40,337	40,337	40,337	-	-	-
Other financial liabilities	80,824	80,824	80,824	-	-	-
	9,00,791	**9,00,791**	**9,00,791**	**-**	**-**	**-**

(All amounts are in United States Dollar (USD) except share data and otherwise stated)

11 Financial instruments - Fair values and risk management (continued)

iv. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Company's income or the value of it's holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

Currency risk

The Company is not exposed to currency risk as all the transactions are denominated in the functional currency (USD).

Interest rate risk

The Company's exposure to variable rate instruments is nil.

Exposure to interest rate risk
The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	31 March 2024	31 March 2023
Fixed rate instruments		
Financial Liabilities		
- Interest charged loan from related parties	7,79,630	7,79,630

Fair value sensitivity analysis for fixed-rate instruments
A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (loans borrowed) are carried at amortised cost any changes in interest rates are not considered for subsequent measurement.

12 Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of this standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

for and on behalf of the board of directors of
TVS America Inc.

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

Richard Vieites
Director

Place : St Louis, Missouri
Date : May 27, 2024

TVS Logistics Investment USA Inc.

FY 2023-24

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors,
TVS Supply Chain Solutions Limited
(Holding Company of TVS Logistics Investment USA Inc.)

Report on the Audit of the Special Purpose Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying special purpose standalone Ind AS financial statements of TVS Logistics Investment USA Inc. ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose standalone Ind AS financial statements 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 March 31, 2024, its loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the special purpose standalone Ind AS financial statements in accordance with the generally accepted Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Special Purpose Standalone Ind AS 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the special purpose standalone Ind AS financial statements.

Responsibility of Management for the Special Purpose Standalone Ind AS Financial Statements

The Board of Directors of TVS Supply Chain Solutions Limited and TVS Logistics Investment USA Inc are responsible for the preparation of these special purpose standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company that give a true and fair view in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 special purpose standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose standalone Ind AS financial statements, the Board of Directors of TVS Supply Chain Solutions Limited and TVS Logistics Investment USA Inc. 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.

Those Board of Directors (TVS Supply Chain Solutions Limited and TVS Logistics Investment USA Inc.) are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose standalone Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the special purpose standalone Ind AS financial statements, including the disclosures, and whether the special purpose standalone Ind AS 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 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.

Other Matters – Restriction on use

These special purpose standalone Ind AS financial statements are prepared to assist TVS Supply Chain Solutions Limited and the Company in regulatory filings with the Reserve Bank of India. Accordingly, these special purpose standalone Ind AS financial statements are not suitable for any other purposes and should not be used by or distributed to parties other than as aforesaid.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
Place of Signature: Chennai
Date: May 27, 2024
UDIN: 24210934BKFUND9388

TVS Logistics Investment USA Inc.
Standalone Balance Sheet as at 31 March 2024
(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Financial assets			
Investments	8	3,38,25,975	2,89,08,953
Deferred tax assets	7	14,93,400	-
Total non - current assets		**3,53,19,375**	**2,89,08,953**
Current Assets			
Financial assets			
Cash and cash equivalents	10	12,038	93,499
Loans	11	1,04,62,364	87,12,940
Deposits and other receivables	12	13,60,071	7,67,605
Other financial assets	9	-	-
Total current assets		**1,18,34,473**	**95,74,044**
Total Assets		**4,71,53,848**	**3,84,82,997**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13A	61,51,000	61,51,000
Other Equity		2,12,42,395	(1,23,55,239)
Total Equity		**2,73,93,395**	**(62,04,239)**
Liabilities			
Non-current liabilities			
Non current tax liabilities (net)		20,307	-
Total Non-current liabilities		**20,307**	**-**
Current liabilities			
Financial Liabilities			
Borrowings	14	1,43,21,000	3,99,69,335
Trade payables	15	-	10,134
Other financial liabilities	16	54,12,896	47,01,517
Other current liabilities	17	6,250	6,250
Total current liabilities		**1,97,40,146**	**4,46,87,236**
Total liabilities		**1,97,60,453**	**4,46,87,236**
Total Equity and liabilities		**4,71,53,848**	**3,84,82,997**

The notes from 1 to 20 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Ravi Prakash Bhagavathula
Director

Place : Chennai
Date : May 27, 2024

TVS Logistics Investment USA Inc.

Standalone Statement of Profit and Loss for the year ended 31 March 2024

(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Continuing Operations			
Other income	4	6,55,168	6,39,239
Total income		**6,55,168**	**6,39,239**
Expenses			
Impairment losses on financial instrument		7,796	7,796
Finance costs	5	16,14,867	17,41,663
Other expenses	6	6,964	55
Total expenses		**16,29,627**	**17,49,514**
Loss before tax		**(9,74,459)**	**(11,10,275)**
Tax expenses			
Current Tax		20,307	-
Deferred tax	7	(14,93,400)	-
Total tax expenses		**(14,73,093)**	**-**
Profit / (Loss) for the year		**4,98,634**	**(11,10,275)**
Earnings per share			
Basic earnings per share	13B	8.11	(18.05)

The notes from 1 to 20 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Ravi Prakash Bhagavathula
Director

Place : Chennai
Date : May 27, 2024

TVS Logistics Investment USA Inc.
Standalone statement of changes in equity for the year ended 31 March 2024
(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

Total Equity	Equity share capital	Other Equity		
		Securities Premium	Retained earnings	Total
Balance at 01 April 2022	61,51,000	-	(1,12,44,964)	(1,12,44,964)
Total comprehensive income for the year ended 31 March 2023				
Loss for the year	-	-	(11,10,275)	(11,10,275)
Total comprehensive income	**-**	**-**	**(11,10,275)**	**(11,10,275)**
Balance at 31 March 2023	**61,51,000**	**-**	**(1,23,55,239)**	**(1,23,55,239)**
Balance at 01 April 2023	61,51,000	-	(1,23,55,239)	(1,23,55,239)
Total comprehensive income for the year ended 31 March 2024				
Loss for the year	-	-	4,98,634	4,98,634
Total comprehensive income	**-**	**-**	**4,98,634**	**4,98,634**
Transactions with owners recorded directly in equity				
Contributions by and distribution to owners				
Capital contribution during the year	-	3,30,99,000	-	3,30,99,000
Total contributions by and distributions to owners	**-**	**3,30,99,000**	**-**	**3,30,99,000**
Balance at 31 March 2024	**61,51,000**	**3,30,99,000**	**(1,18,56,605)**	**2,12,42,395**

The notes from 1 to 20 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

Ravi Prakash Bhagavathula
Director

Place : Chennai
Date : May 27, 2024

TVS Logistics Investment USA Inc.
Standalone statement of cash flows for the year ended 31 March 2024
(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from operating activities		
Profit / (Loss) before tax	(9,74,459)	(11,10,275)
Adjustments for:		
Finance costs	16,14,867	17,41,663
Provision/Allowance for interest on loans	-	-
Interest income	(6,55,168)	(44,272)
Foreign exchange differences (gain)/loss	5,061	(5,94,967)
	(9,699)	**(7,851)**
Working capital adjustments:		
(Increase) in deposits and other receivables	62,702	-
(Increase)/decrease in other current and Non current, financial and non financial liabilities	(5,061)	5,94,968
Increase (decrease) in trade payables	(10,134)	-
Cash generated from operating activities (A)	**37,808**	**5,87,117**
Income tax refund/(paid) (net)	-	-
Net cash from operating activities (A)	**37,808**	**5,87,117**
Cash flows from investing activities		
Loans provided to related party	(17,49,424)	(73,71,570)
Investment in subsidiary company	(49,17,022)	-
Cash used in investing activities (B)	**(66,66,446)**	**(73,71,570)**
Cash flows from financing activities		
Proceeds from issue of equity share capital	3,30,99,000	-
Interest paid	(9,03,488)	(1,43,139)
Proceeds of borrowings from related party	30	1,43,21,000
Repayment of borrowings from related party	(2,56,48,365)	(75,38,724)
Net cash flow from (used in) financing activities (C)	**65,47,177**	**66,39,137**
Net increase in cash and cash equivalents (A+B+C)	**(81,461)**	**(1,45,316)**
Cash and cash equivalents at the beginning of the year	93,499	2,31,019
Cash and cash equivalents at the end of the year	**12,038**	**85,703**

The notes from 1 to 20 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

Ravi Prakash Bhagavathula
Director

Place : Chennai
Date : May 27, 2024

1 Reporting entity

TVS Logistics Investments USA, Inc. (“TVS LI USA” or the “Company”) is a wholly owned subsidiary of TVS Supply Chain Solutions Limited (formerly known as TVS Logistics Services Limited) (“TVS SCS”or the “holding company”), located in Chennai, India.

The Company was formed on December 1, 2010 to acquire interests in operating companies in the United States. The Company, which is an investment entity through its operating companies provides distribution of industrial supplies and provides specialized logistics and material management services throughout the United States. The Company has facilities located in Michigan, South Carolina, North Carolina and Missouri.

2 Basis of preparation

A Statement of compliance and going concern

These special purpose standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the Indian regulatory reporting requirements. Consequently, these financial statements do not purport to be, and are not prepared to comply with the requirements of the Companies Act, 2013 and include only those disclosures prescribed under the Companies Act, 2013 as the management deems relevant. The standalone financial statements are presented in US Dollars ("USD"), except when otherwise indicated. As at March 31, 2024, the net worth of the company is fully eroded on account of provisions made and operational losses and the Company’s current liabilities exceed the current assets. The current liabilities predominantly comprise of borrowings from its group companies.

The Company has made a detailed assessment of its liquidity position using available information, estimates and judgements. Further the Parent Company has provided letter of support necessary to sustain the operations in the foreseeable future to meet the Company's obligation as and when they fall due for the next twelve month from the date of approval of this financial statements. Based on the foregoing management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future. Accordingly, these special purpose Standalone financial statements have been prepared on a going concern basis.

The above special purpose standalone financial statements for the year ended March 31, 2024 were approved by the board of directors on May 27, 2024.

Details of the Company’s accounting policies are included in Note 3.

B Functional and presentation currency

These standalone financial statements are presented in United States Dollars (USD) which is also the Company’s functional currency. All amounts have been rounded-off to the nearest dollars, unless otherwise indicated.

C Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value

D Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2024 is included wherever relevant.

2 Basis of preparation (continued)

E Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuation meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 19 – financial instruments

F Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless 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 current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3 Material accounting policies

A Foreign currency

Foreign currency transactions
Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit and loss.

B Financial instruments

i. Recognition and initial measurement
Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets
On initial recognition, a financial asset is classified as measured at
- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets 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.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in of profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses
Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3 Material accounting policies (continued)

C Impairment

i. Impairment of financial instruments
The Company recognises loss allowances for expected credit losses on:
- financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is 'credit - impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

Measurement of expected credit losses
Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

3 Material accounting policies (continued)

C Impairment (continued)

i. Impairment of financial instruments (continued)

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company’s procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets, 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. Goodwill is tested for impairment annually.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication 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. Such a reversal is made only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

D Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.
The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

E Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

3 Material accounting policies (continued)

E Income tax (continued)

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:
- temporary differences arising on 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 at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets - unrecognised or recognised are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

F Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

G Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

H Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

I Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Key managerial personnel comprising the Managing Director and Deputy Managing Director assess the financial performance and position of the Comapny, and make strategic decisions and have been together identified as being the chief operating decision maker ('CODM').

J Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3 Material accounting policies (continued)

K New and amended standards

Changes in accounting standards and disclosures

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

The amendments are not expected to have a material impact on the Company's financial statements.

L Standards notified but not yet effective

There are no such Standards which are notified but not yet effective.

(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

		31 March 2024	31 March 2023
4	**Other income**		
	Exchange difference gain net	-	5,94,967
	Interest charged to a related company	6,55,168	44,272
		6,55,168	**6,39,239**

		31 March 2024	31 March 2023
5	**Finance costs**		
	Interest expense on borrowings	16,14,867	17,41,663
		16,14,867	**17,41,663**

		31 March 2024	31 March 2023
6	**Other expenses**		
	Bank charges	534	55
	Legal and professional fees	1,369	-
	Loss (gain) on foreign currency transactions and translations	5,061	-
		6,964	**55**

(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

7 Income tax expense

A Amounts recognised in profit or loss	Year ended 31 March 2024	Year ended 31 March 2023
Current tax (a)		
Current tax on profits for the year	20,307	-
	20,307	**-**
Deferred tax (b)		
Attributable to origination and reversal of temporary differences	(14,93,400)	-
	(14,93,400)	**-**
Tax expense (a+b)	**(14,73,093)**	**-**

B Reconciliation of effective tax rate	Year ended 31 March 2024	Year ended 31 March 2023
Loss before tax	(9,74,459)	(11,10,275)
Income tax expense at tax rates applicable to individual entities	(2,43,615)	(2,77,569)
Effect of :		
Recognition of deferred tax asset on earlier year losses	(11,37,210)	-
Utilisation of previously unrecognised tax losses	(90,229)	
Items / current year losses for which no deferred tax asset was recognised	-	2,77,569
Others	(2,039)	-
Income tax expense as per statement of profit and loss	**(14,73,093)**	**-**

C Recognised deferred tax assets and liabilities

Deferred tax assets (net)	31 March 2024	31 March 2023
Carried forward tax losses	14,93,400	-
Deferred tax assets	**14,93,400**	**-**
Others	-	
Deferred tax liabilities	**-**	**-**
Net Deferred tax assets	**14,93,400**	**-**

(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

7 Income tax expense (continued)

C. Recognised deferred tax assets and liabilities (continued)

Particulars	Balance as at 1 April 2022	Recognised in Profit & Loss	Balance as at 31 March 2023	Recognised in Profit & Loss	Balance as at 31 March 2024
Deferred tax assets (net)					
Carried forward tax losses	-	-	-	14,93,400	14,93,400
Deferred tax liabilities	**-**	**-**	**-**	**14,93,400**	**14,93,400**
Others				-	-
Deferred tax liabilities	**-**	**-**	**-**	**-**	**-**
Net Deferred tax assets	**-**	**-**	**-**	**14,93,400**	**14,93,400**

(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

8 Investments

Non-current investments	31 March 2024	31 March 2023
Unquoted equity shares		
Investment in TVS America Inc.	6,60,000	6,60,000
510 (31 March 2023: 510) shares of no par value		
TVS Supply Chain Solutions North America Inc*	3,38,25,975	2,89,08,953
3,209.50 (31 March 2023: 3,209.50) shares of USD 1 each		
Provision for decline in fair value of investments		
Investment in equity instruments		
TVS America Inc.	(6,60,000)	(6,60,000)
	3,38,25,975	**2,89,08,953**
Aggregate value of unquoted investments	3,44,85,975	2,95,68,953
Aggregate amount of impairment in value of investments	6,60,000	6,60,000

*Pursuant to impairment assessment carried out by the management based on future forecasts approved by the Board of Directors, the carrying value of the investment in the subsidiary is not impaired and hence no impairment provision is made in the books as on March 31, 2024.

9 Other financial assets

	Current	
	31 March 2024	31 March 2023
Interest accrued on loan to related parties	80,824	80,824
Provision for doubtful interest	(80,824)	(80,824)
	-	-

10 Cash and cash equivalents

	31 March 2024	31 March 2023
Balance with banks		
On current accounts	12,038	93,499
	12,038	**93,499**

11 Loans

	31 March 2024	31 March 2023
Loan to related parties		
Unsecured, considered good	1,04,62,364	87,12,940
Unsecured, considered doubtful	7,79,630	7,79,630
Provision for doubtful loans to related parties	(7,79,630)	(7,79,630)
	1,04,62,364	**87,12,940**

12 Deposits and other receivables

	31 March 2024	31 March 2023
Other receivables		
Other receivables - Amount due from Related companies	13,60,071	7,67,605
	13,60,071	**7,67,605**

(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

	31 March 2024	31 March 2023
13A Share capital		
Authorised share capital		
120,000 (31 March 2023: 120,000) Common stock of USD 100 each	1,20,00,000	1,20,00,000
Issued, subscribed and paid up		
Common stock		
61,510 (31 March 2023: 61,510) Common stock of USD 100 each	61,51,000	61,51,000
Total issued capital	**61,51,000**	**61,51,000**
Called, Subscribed and Paid up		
Equity shares		
61,510 (31 March 2023: 61,510) Common stock of USD 100 each	61,51,000	61,51,000
	61,51,000	**61,51,000**

a. Reconciliation of shares outstanding at the beginning and at end of the reporting year

	31 March 2024		31 March 2023	
	Nos	USD	Nos	USD
Equity shares				
At the beginning of the year	61,510	61,51,000	61,510	61,51,000
Movements during the year	-	-	-	-
Outstanding at the end of the year	**61,510**	**61,51,000**	**61,510**	**61,51,000**

b. Terms/rights attached to equity shares

The Company has one class of equity shares having face value of USD 100 per share. Each holder of equity shares is entitled to one vote per share

c. Details of shareholders holding more than 5% shares in the company	31 March 2024		31 March 2023	
	Number of shares	% holding	Number of shares	% holding
Equity shares				
TVS Supply Chain Solutions Limited	61,510	100%	61,510	100%

13B Earnings per share

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

		31 March 2024	31 March 2023
(i)	**Profit (loss) attributable to equity shareholders**		
	Profit (loss) for the year, attributable to the equity holders	4,98,634	(11,10,275)
(ii)	**Weighted average number of equity shares**	**31 March 2024**	**31 March 2023**
	Weighted average number of equity shares outstanding during the year	61,510	61,510
	Weighted average number of equity shares for the year	**61,510**	**61,510**
(iii)	**Basic and diluted earnings per share (USD)**	8.11	(18.05)

(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

14 Borrowings

	31 March 2024	31 March 2023
(a) Non-current borrowings		
Loan from related company - Unsecured	-	-
	-	-
(b) Current borrowings		
Loan from related parites		
Interest free loan repayable on demand from related parties	-	1,89,38,335
Interest charged loan from related parties	1,43,21,000	2,10,31,000
	1,43,21,000	**3,99,69,335**

A. Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

	Currency	Nominal Interest rate	Carrying amount as at 31 March 2024	Carrying amount as at 31 March 2023
Unsecured loans repayable on demand from related party				
TVS Supply Chain Solutions Limited, North America	USD	1%	-	45,00,000
TVS Supply Chain Solutions Limited, North America	USD	1%	-	2,10,000
TVS Supply Chain Solutions Limited, North America	USD	Nil	-	20,00,000
TVS Supply Chain Solutions Limited, North America	USD	Nil	-	1,89,38,365
TVS Supply Chain Solutions Limited	USD	2% plus SOFAR	1,43,21,000	1,43,20,970
			1,43,21,000	**3,99,69,335**

B. Unsecured term loans from related parties

Unsecured loan from related parties

Loan amounting to $ 4,500,000 was taken by the company during the financial year ended March 31, 2014 from its subsidiary "Manufacturers Equipment and Supply Co (merged with TVS Supply Chain Solutions North America Inc.). The loan carries an interest rate of 1%. The loan has been repaid during the year ended March 31, 2024.

Loan amounting to $ 2,10,000 was taken by the company during the financial year ended March 31, 2014 from its subsidiary "Manufacturers Equipment and Supply Co (merged with TVS Supply Chain Solutions North America Inc.). The loan carries an interest rate of 1%. The loan has been repaid during the year ended March 31, 2024.

Loan balances aggregating to $2,000,000 taken from its subsidiary company 'TVS Supply Chain Solutions North America Inc.' is repayable within a period of 1 year from the date of agreement/as and when demanded by the subsidiary company. The loan has been repaid during the year ended March 31, 2024.

Loan balances aggregating to Nil as on March 2024 (March 2023 : $ 18,938,335) taken from its subsidiary company 'TVS Supply Chain Solutions North America Inc.' is repayable as and when demanded by the subsidiary company. The loan has been repaid during the year ended March 31, 2024.

Unsecured term loan from related parties

During 2023, TVS Logistics Investments USA entered into an agreements with TVS Supply Chain Solutions Limited for securing loan upto $8,500,000 and $5,821,000. The Company has drawn down an amount of $14,321,000 as at March 31, 2024 ($14,320,970 as at March 31, 2023). The loan is repayable on demand. The loan carries an effective interest of 2% plus SOFAR p.a.

15 Trade payables

	31 March 2024	31 March 2023
Other trade payables - services	-	10,134
	-	**10,134**

16 Other financial liabilities

	31 March 2024	31 March 2023
Interest accrued and due on borrowings	54,12,896	47,01,517
	54,12,896	**47,01,517**

17 Other current liabilities

	31 March 2024	31 March 2023
Others	6,250	6,250
	6,250	**6,250**

(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

18 Related party disclosures

A. Enterprise having significant influence	TVS Mobility Private Limited
B. Holding company	TVS Supply Chain Solutions Limited
C. Subsidiaries	TVS America Inc., USA TVS Supply Chain Solutions North America Inc., USA TVS Transporation Solutions, LLC. TVS Supply Chain Solutions De Mexico S.A de C.V., Mexico
D. Fellow subsidiaries	Rico Logistics Limited, UK TVS Logistics Investment UK Limited TVS Supply Chain Solutions Limited, UK

Transactions during the year	**Year ended 31 March 2024**	**Year ended 31 March 2023**
Interest income		
Rico Logistics Limited, UK	36,576	36,476
TVS Logistics Investment UK Limited	6,10,796	-
TVS America Inc.	7,796	7,796
Interest expense		
TVS Supply Chain Solutions Limited, India	10,44,359	1,02,720
TVS Supply Chain Solutions Limited, UK	-	1,98,766
TVS Supply Chain Solutions North America Inc., USA	5,70,508	14,40,177
Year end balances:		
Loans receivable from		
Rico Logistics Limited, UK	12,00,000	12,00,000
TVS Supply Chain Solutions Limited, UK	1,41,370	1,41,370
TVS America Inc.	7,79,630	7,79,630
TVS Logistics Investment UK Limited	91,20,994	73,71,570
Loans payable to		
TVS Supply Chain Solutions North America Inc., USA	-	2,56,48,365
TVS Supply Chain Solutions Limited, India	1,43,21,000	1,43,21,000
Other receivable		
Rico Logistics Limited, UK	3,40,747	3,04,171
TVS Logistics Investment UK Limited	6,22,516	66,626
TVS Supply Chain Solutions North America Inc., USA	3,96,808	3,96,808
Interest receivable		
TVS America Inc.	80,824	80,824
Interest payable		
TVS Supply Chain Solutions Limited, India	12,30,144	1,85,785
TVS Supply Chain Solutions UK Limited	2,23,813	2,18,741
TVS Supply Chain Solutions North America Inc., USA	39,58,939	42,96,991

(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

19 Financial instruments - Fair values and risk management

A. Accounting classification and fair values and fair value hierarchy

This section explains the carrying amounts and fair values of financial assets and liabilities, including judgements and estimates made in determining the fair values of the standalone financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as described in note 3.

		Carrying amount					
	Note	31 March 2024			31 March 2023		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets not measured at fair value							
Loans	11	-	-	1,04,62,364	-	-	87,12,940
Deposits and other receivables	12	-	-	13,60,071	-	-	7,67,605
Cash and cash equivalents	10	-	-	12,038	-	-	93,499
Total		**-**	**-**	**1,18,34,473**	**-**	**-**	**95,74,044**
Financial liabilities not measured at fair value							
Borrowings	14	-	-	1,43,21,000	-	-	3,99,69,335
Trade payable	15	-	-	-	-	-	10,134
Other financial liabilities	16	-	-	54,12,896	-	-	47,01,517
Total		**-**	**-**	**1,97,33,896**	**-**	**-**	**4,46,80,986**

Note: The Company has not disclosed fair values of financial instruments such as loans, deposits and other receivables, cash and cash equivalents, other financial assets, borrowings, trade payables, other financial liabilities because their carrying amounts are reasonable approximations of their fair values. The Company has also not disclosed fair values of investments carried at cost.

(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

19 Financial instruments - Fair values and risk management (continued)

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Company’s board of directors has overall responsibility for the establishment and oversight of the Company’s risk management framework. The board of directors along with the senior management are responsible for developing and monitoring the Company’s risk management policies.

The Company’s risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company’s activities. the Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. the Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company’s trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for trade and other receivables are as follows:

	Carrying amount	
	31 March 2024	**31 March 2023**
Cash and cash equivalents	12,038	93,499
Loans	1,04,62,364	87,12,940
Deposits and other receivables	13,60,071	7,67,605
Total	**1,18,34,473**	**95,74,044**

Cash and cash equivalents and other bank balances

The Company holds bank balances of $ 12,038 as at 31 March 2024 (31 March 2023: $ 93,499). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables

This balance is primarily constituted by Receivable from subsidiaries by the Company for carrying out its operations. The Company does not expect any losses from non-performance by these counter-parties.

Loans, Investments and Other financial assets

The Company has loans $ 10,462,364 as at 31 March 2024 (31 March 2023: $ 8,712,940). All these balances are within the group and are hence considered good.

(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

19 Financial instruments - Fair values and risk management (continued)

B. Financial risk management (continued)

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company’s approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

		Contractual cash flows				
	Carrying amount	**Total**	**1 year or less**	**1-2 years**	**2-5 years**	**More than 5 years**
31 March 2024						
Non derivative financial liabilities						
Current and non-current borrowings						
Unsecured loans repayable on demand from related parties	1,43,21,000	1,43,21,000	1,43,21,000	-	-	-
Others						
Other financial liabilities	54,12,896	54,12,896	54,12,896	-	-	-
	1,97,33,896	**1,97,33,896**	**1,97,33,896**	**-**	**-**	**-**

		Contractual cash flows				
	Carrying amount	**Total**	**1 year or less**	**1-2 years**	**2-5 years**	**More than 5 years**
31 March 2023						
Non derivative financial liabilities						
Current and non-current borrowings						
Unsecured loans repayable on demand from related parties	3,99,69,335	3,99,69,335	3,99,69,335	-	-	-
Others						
Trade payable	10,134	10,134	10,134	-	-	-
Other financial liabilities	47,01,517	47,01,517	47,01,517	-	-	-
	4,46,80,986	**4,46,80,987**	**4,46,80,986**	**-**	**-**	**-**

(All amounts are in United States Dollar (USD) excecpt share data and otherwise stated)

19 Financial instruments - Fair values and risk management (continued)

iv. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Company's income or the value of it's holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

Interest rate risk

The Company has only one type of variable rate instrument i.e. certain working capital demand loans. Company's exposure to variable rate instruments is insignificant.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	31 March 2024	31 March 2023
Variable instruments		
Financial Liabilities		
- Loans repayable on demand	-	20,00,000
Fixed rate instruments		
Financial assets		
- Loans	1,12,41,994	94,92,570
Financial Liabilities		
- Loans repayable on demand	-	47,10,000

Fair value sensitivity analysis for fixed-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (loans given, investments made and borrowings) are carried at amortised cost any changes in interest rates are not considered for subsequent measurement.

20 Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of this standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Ravi Prakash Bhagavathula
Director

Place : Chennai
Date : May 27, 2024

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
TVS Supply Chain Solutions Limited
(Holding Company of TVS Logistics Investment USA Inc.)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of TVS Logistics Investment USA Inc (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the period 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 a true and fair view in conformity with the requirements of Indian Accounting Standard 34 (referred to as "Ind AS 34"), specified under Section 133 of the Companies Act 2013 (the "Act") read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India ("Ind-AS"), of the consolidated state of affairs of the Group, as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the period ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

Responsibilities of Management for the Consolidated Financial Statements

The Board of Directors of TVS Supply Chain Solutions Limited and TVS Logistics Investment USA Inc are responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the requirements of Indian Accounting Standard 34 (referred to as "Ind AS 34") specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other generally accepted accounting principles in India. 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 of 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of TVS Supply Chain Solutions Limited , as aforesaid.

In preparing the consolidated financial statements, the Board of Directors of TVS Supply Chain Solutions Limited and the respective Board 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.

Those respective Board of Directors (TVS Supply Chain Solutions Limited and the companies included in the Group) are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's 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 of which we are the independent auditors and whose financial information we have audited, 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 remain solely responsible for our audit opinion.

We communicate with those charged with governance of TVS Supply Chain Solutions Limited, the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other matters – restriction of use and distribution

The accompanying Consolidated Financial Statements have been prepared to assist TVS Supply Chain Solutions Limited to meet its financial reporting requirements in relation to the preparation of its consolidated financial statements and accordingly may not be suitable for any other purposes. Our report is intended solely for TVS Supply Chain Solutions Limited to meet the aforesaid requirements and should not be used by or distributed to parties other than as aforesaid.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner

Membership Number: 210934
Place of Signature: Chennai
Date: May 24, 2024
UDIN: 24210934BKFUNC9998

TVS Logistics Investment USA Inc.
Consolidated Balance Sheet as at 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	13	0.31	0.24
Capital work-in-progress	13B	0.02	0.05
Goodwill	14	0.72	0.72
Other Intangible assets	14	0.04	0.02
Intangible asset under development	13B	0.01	0.02
Right-of-use assets	15	1.67	1.41
Financial assets			
Other bank balances	22	-	0.10
Non current tax assets	20	0.06	0.17
Deferred tax assets	12	0.26	0.04
Total non - current assets		**3.09**	**2.77**
Current Assets			
Inventories	16	1.18	1.00
Financial assets			
Trade receivables	17	0.76	0.34
Cash and cash equivalents	21	0.58	0.75
Loans	18	1.05	0.87
Deposits and other receivables	19	0.15	0.06
Other current assets	23	0.07	0.19
Total current assets		**3.79**	**3.21**
Total Assets		**6.88**	**5.98**
EQUITY AND LIABILITIES			
Equity			
Share capital	24A	0.62	0.62
Other Equity		1.21	(2.34)
Equity attibutable to equity holders of the parent		**1.83**	**(1.72)**
Non controlling interest		(0.04)	(0.04)
Total Equity		**1.79**	**(1.76)**

TVS Logistics Investment USA Inc.
Consolidated Balance Sheet as at 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
Liabilities			
Non-current liabilities			
Financial Liabilities			
Lease liability	15	1.30	1.13
Other non current liabilities	29	0.02	0.01
Total Non-current liabilities		**1.32**	**1.14**
Current liabilities			
Financial Liabilities			
Borrowings	25	1.43	4.23
Lease liability	15	0.48	0.31
Trade payables	27	1.32	1.27
Other financial liabilities	28	0.45	0.69
Provisions	26	0.08	0.09
Other current liabilities	30	0.01	0.01
Total current liabilities		**3.77**	**6.60**
Total liabilities		**5.09**	**7.74**
Total Equity and liabilities		**6.88**	**5.98**

The notes from 1 to 38 form an integral part of the consolidated financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Ravi Prakash Bhagavathula
Director

Place : Chennai
Date : May 27, 2024

TVS Logistics Investment USA Inc.
Consolidated Statement of Profit and Loss for the year ended 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Continuing Operations			
Revenue from operations	4	9.61	8.78
Other income	5	0.08	0.15
Total income		**9.69**	**8.93**
Expenses			
Freight, clearing, forwarding and handling charges		0.01	-
Sub-contracting costs and casual labour charges		0.04	0.20
Purchase of stock in trade	6	4.69	3.81
Change in inventory of stock in trade	7	(0.18)	(0.20)
Impairment losses on financial instrument		0.01	(0.01)
Employee benefits expense	8	3.47	3.62
Finance costs	9	0.28	0.24
Depreciation and amortization expense	10	0.49	0.30
Other expenses	11	0.84	0.99
Total expenses		**9.65**	**8.95**
Profit/(Loss) from continuing operations before tax		**0.04**	**(0.02)**
Tax expenses			
Current Tax (net of refunds)	12	0.02	(0.01)
Deferred tax	12	(0.22)	0.02
Total tax expenses		**(0.20)**	**0.01**
Profit/(Loss) for the year		**0.24**	**(0.03)**
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Exchange differences in translating financial statements of foreign operations		-	-
Other comprehensive income for the year, net of tax		**-**	**-**
Total comprehensive income for the year		**0.24**	**(0.03)**

TVS Logistics Investment USA Inc.
Consolidated Statement of Profit and Loss for the year ended 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Profit/(Loss) attributable to:			
Owners of the Company		0.24	(0.03)
Non-controlling interests		-	-
Profit/(Loss) for the year		**0.24**	**(0.03)**
Other comprehensive income attributable to:			
Owners of the Company		-	-
Non-controlling interests		-	-
Other comprehensive income for the year		**-**	**-**
Total comprehensive income attributable to:			
Owners of the Company		0.24	(0.03)
Non-controlling interests		-	-
Total comprehensive income for the year		**0.24**	**(0.03)**
Earnings per share			
Basic and diluted earnings per share (USD)	24D	**39.02**	**(5.45)**

The notes from 1 to 38 form an integral part of the consolidated financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Ravi Prakash Bhagavathula
Director

Place : Chennai
Date : May 27, 2024

TVS Logistics Investment USA Inc.
Consolidated Statement of Changes in Equity for the year ended 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

A Equity Share Capital

	Amount
Balance as at 1 April 2022	**0.62**
Changes in equity share capital during the year	-
Balance as at 31 March 2023	**0.62**
Changes in equity share capital during the year	-
Balance as at 31 March 2024	**0.62**

B Other equity

	Retained earnings	Securities Premium	Items of OCI FCTR	NCI	Total
Balance as at 1 April 2022	**(2.27)**	**-**	**(0.04)**	**(0.04)**	**(2.35)**
Total comprehensive income for the year ended 31 March 2023					
Profit/(Loss) for the year	(0.03)	-	-	-	(0.03)
Other comprehensive income (net of tax)	-	-	-	-	-
Total comprehensive income	**(0.03)**	**-**	**-**	**-**	**(0.03)**
Balance as at 31 March 2023	**(2.30)**	**-**	**(0.04)**	**(0.04)**	**(2.38)**
Balance as at 1 April 2023	**(2.30)**	**-**	**(0.04)**	**(0.04)**	**(2.38)**
Total comprehensive income for the year ended 31 March 2024					
Profit/(Loss) for the year	0.24	-	-	-	0.24
Other comprehensive income (net of tax)	-	-	-	-	-
Total comprehensive income	**0.24**	**-**	**-**	**-**	**0.24**
Contributions by and distribution to owners					
Capital contribution during the year		3.31	-	-	3.31
Total contributions by and distributions to owners	**-**	**3.31**	**-**	**-**	**3.31**
Balance as at 31 March 2024	**(2.06)**	**3.31**	**(0.04)**	**(0.04)**	**1.17**

The notes from 1 to 38 form an integral part of the consolidated financial statements.

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Ravi Prakash Bhagavathula
Director

Place : Chennai
Date : May 27, 2024

TVS Logistics Investment USA Inc.
Consolidated Statement of Cash Flows for the year ended 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from operating activities		
Profit/(Loss) before tax	0.04	(0.02)
Adjustments for:		
Depreciation of property, plant and equipment	0.12	0.15
Amortisation of intangibles	0.02	0.05
Amortisation of right of use assets	0.35	0.10
Finance costs	0.28	0.24
Loss/(gain) on sale of property, plant and equipment	(0.01)	0.03
Equity-settled share-based payments	-	0.02
Provision/Allowance for doubtful debts	-	-
Interest income	(0.07)	(0.01)
Exchange gain/loss on currency translation	-	(0.14)
	0.73	**0.42**
Working capital adjustments:		
(Increase) / decrease in inventories	(0.18)	(0.20)
(Increase) / decrease in trade receivables	(0.42)	(0.05)
(Increase) / decrease in other current and non-current, financial and non-financial assets	0.03	(0.08)
Increase / (decrease) in trade payables	0.05	0.34
Increase / (decrease) in provisions	(0.01)	(0.01)
Increase / (decrease) in other current and non-current financial and non-financial liabilities	(0.22)	0.31
Cash generated from operating activities	**(0.02)**	**0.73**
Income tax refund/(paid) (net)	0.09	0.13
Net cash from operating activities (A)	**0.07**	**0.86**
Cash flows from investing activities		
Investment in bank deposits having an original maturity of more than three months	0.10	(0.10)
Interest received	0.07	0.01
Loans given to related party	(0.18)	(0.74)
Proceeds from sale of property, plant and equipment and intangibles	-	-
Purchases of property, plant and equipment	(0.18)	(0.10)
Purchases of intangible assets	(0.03)	(0.02)
Net cash used in investing activities (B)	**(0.22)**	**(0.95)**

TVS Logistics Investment USA Inc.
Consolidated Statement of Cash Flows for the year ended 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from financing activities		
Proceeds from issue of equity share capital	3.31	-
Interest paid	(0.20)	(0.22)
Payment of finance lease obligations	(0.33)	(0.11)
Proceeds of borrowings from related party	-	1.43
Repayment of borrowings from related party	(2.80)	(0.92)
Net cash flow from (used in) financing activities (C)	**(0.02)**	**0.18**
Net increase in cash and cash equivalents (A+B+C)	**(0.17)**	**0.09**
Cash and cash equivalents at the begnining of the year	0.75	0.67
Cash and cash equivalents as the end of the year	**0.58**	**0.76**

The notes from 1 to 38 form an integral part of the consolidated financial statements.

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Ravi Prakash Bhagavathula
Director

Place : Chennai
Date : May 27, 2024

1 Reporting entity

TVS Logistics Investments USA, Inc. ("TVS LI USA" or the "Company") together with its subsidiaries (collectively, the "Group") is a wholly owned subsidiary of TVS Supply Chain Solutions Limited (formerly known as TVS Logistics Services Limited) ("TVS SCS"or the "holding company"), located in Chennai, India.

The Group is a distributor of industrial supplies and a provider of specialized logistics and material management services throughout the United States. The Group has facilities located in Michigan, South Carolina, North Carolina and Missouri. The Company was formed on December 1, 2010 to acquire interests in operating companies in the United States. These consolidated financial statements are prepared for meeting the financial reporting requirements of the holding Company.

2 Basis of preparation

A Statement of compliance and going concern

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), to comply with reporting requirements of holding company. The consolidated financial statements are presented in US Dollars ("USD") crores, except when otherwise indicated. All the significant intercompany balances and transactions have been eliminated in consolidation.

As at March 31 2024, the net worth of the Group is fully eroded on account of operational losses and the Group's current liabilities exceed the current assets. The Group has made a detailed assessment of its liquidity position using available information, estimates and judgements.

Further, the Parent Company has provided letter of support, necessary to sustain the operations in the foreseeable future to meet the Group's obligation as and when they fall due for the next twelve month from the date of approval of this consolidated financial statements. Based on the foregoing, management believes that the group will be able to pay its obligations as and when these become due in the foreseeable future. Accordingly, these special purpose consolidated financial statements have been prepared on a going concern basis.

Details of the Company's accounting policies are included in Note 3.

Audited consolidated financial statements of the Group as at and for the year ended March 31, 2024 which were prepared in accordance with Indian Accounting Standard, as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "Ind AS"), which have been approved by the Board of Directors at their meeting held on May 27, 2024.

B Functional and presentation currency

These consolidated financial statements are presented in United States Dollars (USD), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crores, unless otherwise stated.

C Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Contingent consideration in business combination	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

D Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements
Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:
- Note 3 (K) & 4 - Recognition of revenue
- Note 3 (D), (E) & (G), 13 and 14 - Property, plant and equipment and intangible assets – useful lives and impairment
- Note 3 (C), 17 & 34 - Allowances for credit losses for trade receivables
- Note 3 (G) (ii) & 14 - Impairment testing for goodwill
- Note 3 (L) & 15 - Lease classification, termination and renewal option of leases

2 Basis of preparation (continued)

D Use of estimates and judgements (continued)

Assumptions and estimation uncertainties
Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended March 31, 2024 is included in the following notes:
- Note 12 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 14 - Impairment testing for goodwill
- Note 34 – Impairment of Financial Instruments.

E Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Group assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 35 – financial instruments

F Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless 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 current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

3 Material accounting policies

A Basis of consolidation

i. Business combinations

In accordance with Ind AS 103, the Company accounts for the business combinations using the acquisition method when control is transferred to the Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Acquisition related costs are expensed as incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree’s employees (acquiree’s awards), then all or a portion of the amount of the acquirer’s replacement awards is included in measuring the consideration transferred in the business combination. The determination of the amount to be included in consideration transferred is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree’s awards and the extent to which the replacement awards relate to pre-combination service.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

ii. Non-controlling interests (NCI)

An entity has a choice on a combination-by-combination basis to measure any NCI that represents present ownership interest in the acquiree at either fair value or the proportionate share of the acquiree’s net identifiable assets. In respect of business combinations effected so far, the Group has elected one of the two approaches on a combination by combination basis.

Changes in the Group’s equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iii. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

iv. Obtaining control over existing investment

The difference between the fair value of the initial interest as the date of obtaining control and its book value has been recognised in the statement of profit and loss.

v. Consolidation procedure

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent’s investment in each subsidiary and the parent’s portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3 Material accounting policies (continued)

A Basis of consolidation (continued)

vi. Uniform accounting policies

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

B Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

ii. Foreign operations

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements) including goodwill and fair value adjustments arising on acquisition, are translated into USD, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into USD at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

C Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

− the asset is held within a business model whose objective is to hold assets 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.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3 Material accounting policies (continued)

C Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses
Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities
The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting
Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

D Property, plant and equipment

i. Recognition and measurement
Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure
Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

3 Material accounting policies (continued)

D Property, plant and equipment (continued)

iii. Depreciation
Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases 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. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Plant and Equipment	3-10
Furniture and fixtures	1-10
Vehicles	8-10
Computer equipment	3-6
Leasehold improvements	1-9*

* Leasehold improvements are amortised on a straight line basis over the useful life of the asset or the lease period whichever is lower.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from those prescribed in Schedule II of the Act.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

E Goodwill and other intangibles

i. Goodwill
For measurement of goodwill that arises on a business combination, it represents the excess of (a) consideration paid for acquiring control and (b) acquisition date fair value of previously held ownership interest, if any, in a subsidary over the Group's share in the fair value of the net assets (including identifiable intangibles) of the subsidary as on the date of acquisition of control. Subsequent measurement is at cost less any accumulated.

ii. Other intangible assets
Other intangible assets including those acquired by the Group in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

iii. Subsequent expenditure
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iv. Amortisation
Goodwill is not amortised and is tested for impairment annually.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Computer software	1-6

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

F Inventories

Inventories consist of packing materials, stores, stock in trade and spare parts and are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item by item basis.

3 Material accounting policies (continued)

G Impairment

i. Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on
- financial assets measured at amortised cost.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is 'credit - impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12 month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward - looking information.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Group's non-financial assets, 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. Goodwill is tested for impairment annually.

Further the group has performed impairment analysis of Goodwill and other tangible/intangible assets using financial projections approved by the Board.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

3 Material accounting policies (continued)

G Impairment (continued)

ii. Impairment of non-financial assets (continued)

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication 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. Such a reversal is made only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

H Employee benefits

(i) Short-term employee benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, 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 amount of obligation can be estimated reliably.

(ii) Share-based payment transactions
The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an employee benefit expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(iii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group and its subsidiaries in various geographies make contributions, generally determined as a specified percentage of employee salaries, in respect of qualifying employees in accordance with the local laws and regulations in the respective countries which are defined contribution plans. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

(iv) Compensated Absences
Accumulated compensated absences, which are expected to be availed within 12 months from the end of the year are treated as short term employee benefits. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

I Provisions (other than for employee benefits)

A provision is recognised 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 benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

3 Material accounting policies (continued)

J Contingent liabilities and contingent assets

Contingent liability is disclosed for all:
- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group (or)
- present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Group discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

K Revenue

i. Sale of Products
Revenue from sales of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns and trade discounts/rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods and the amount of revenue can be measured reliably.

ii. Rendering of services
Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. Such revenue is recognised upon the Group's performance of its contractual obligations and on satisfying all the following conditions:
(1) Parties to the contract have approved the contract and undertaken to perform their respective obligations;
(2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the "Transfer");
(3) Such contract contains specific payment terms in relation to the Transfer;
(4) Such contract has a commercial nature, namely, it will change the risk, time distribution or amount of the Group's future cash flow;
(5) The Group is likely to recover the consideration it is entitled to for the Transfer to customers.

Revenue is recognised when no significant uncertainty exists regarding the collection of the consideration. The amount recognised as revenue is exclusive of all indirect taxes and net of returns and discounts.

Performance Obligations:

Supply chain management
The Group's supply chain management segment generates revenue from services to its customers such as warehousing, packaging, kitting, reverse logistics and inventory management contracts ranging from a few months to a few years. The Group's performance obligations are satisfied over time as customers simultaneously receive and consume the benefits of the Group's services. The contracts contain a single performance obligation, as the distinct services provided remain substantially the same over time and possess the same pattern of transfer. The transaction price is based on the consideration specified in the contract with the customer and contains fixed and variable consideration. In general, the fixed component of a contract represents amounts for facility and equipment costs incurred to satisfy the performance obligation and is recognized over the term of the contract.

Variable consideration:
Generally, the Group's contracts contain provisions for adjustments to pricing based on achieving agreed-upon performance metrics, changes in volumes, services and market conditions. Revenue relating to these pricing adjustments is estimated and included in the consideration if it is probable that a significant revenue reversal will not occur in the future. The estimate of variable consideration is determined either by the expected value or most likely amount method and factors in current, past and forecasted experience with the customer. Customers are billed based on terms specified in the revenue contract and remit payment according to approved payment terms.

Contract balances:
a) Contract assets:
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

3 Material accounting policies (continued)

b) Contract liabilities:
A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

L Leases

Group as lessee
The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are subject to impairement.

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's Balance Sheet.

(ii) Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3 Material accounting policies (continued)

L Leases (continued)

(iv) Key matters involving significant judgement

(a) Determining the lease term of contracts with termination options – Group as lessee
As per Ind AS 116, termination options are to be considered in determining the non-cancellable period. The period covered by the termination option is included if the lessee is not reasonably certain to exercise the option. Lease term is the non-cancellable period of a lease, together with any optional periods that the lessee is reasonably certain to use. The non-cancellable period of a lease is any period during which the lessee cannot terminate the contract. Consequently, any non-cancellable period in effect sets a minimum lease term. This is usually referred as "lock-in" period in the lease contract. Generally, the lease contracts are cancellable once the "lock-in" period is over, and, in most cases, the termination option is mutually available with minimum notice period requirements under the contract.

In general, since Group has made significant investments in each of the warehouse in the form of leasehold improvements, racking equipment etc. and the termination would lead to additional expenses (losses) for dismantling and would lead to business disruption, the management in general has concluded that there is economic disincentive for the Group to discontinue / terminate any arrangement. Accordingly, applying Para B34 of Ind AS 116, except for specific cases, the Group concludes that non-cancellable period generally includes the lease period covered by the option to terminate.

(b) Determining the lease term of contracts with renewal options – Group as lessee
As per Ind AS 116, the period covered by extension option is included if the lessee is reasonably certain to exercise the option.

As reasonable certainty is a high threshold, the group believes in most leases where the lease term is greater than 3 years assuming reasonable certainty on lease commencement date may not be appropriate and must be evaluated on a case to case basis, considering factors such as investment in the property, renewal lease rates, specific modifications to property to meet customer requirements, importance of the location and impact on overall business disruption etc.

M Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

N Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

3 Material accounting policies (continued)

N Income tax (continued)

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on 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 at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

O Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

P Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

Q Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated.

R Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Key managerial personnel comprising the Managing Director and Deputy Managing Director assess the financial performance and position of the Group, and make strategic decisions and have been together identified as being the chief operating decision maker ('CODM').

S Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3 Material accounting policies (continued)

T New and amended standards

Changes in accounting standards and disclosures

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

The amendments are not expected to have a material impact on the Company's financial statements.

U Standards notified but not yet effective

There are no such Standards which are notified but not yet effective.

(All amounts are in USD ($) crores except share data and otherwise stated)

3A Operating segments

The Group has only one reportable segment namely Integrated Supply Chain Solutions ("ISCS"). Accordingly reporting under Ind AS 108 Operating Segments is not applicable to the Group.

4 Revenue from operations

	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products	5.18	4.34
Sale of services		
Income from logistics services	4.43	4.44
	4.43	**4.44**
Total	**9.61**	**8.78**

5 Other income

	31 March 2024	31 March 2023
Exchange difference gain net	-	0.14
Gain on sale of Property, plant and equipment	0.01	-
Interest charged to a related company	0.07	0.01
	0.08	**0.15**

6 Purchase of stock in trade

	31 March 2024	31 March 2023
Purchase of stock in trade	4.69	3.81
	4.69	**3.81**

7 Change in inventory of stock-in-trade

	31 March 2024	31 March 2023
Inventories at the beginning of the year		
Stock-in-trade	1.00	0.80
Inventories at the end of the year		
Stock-in-trade	(1.18)	(1.00)
	(0.18)	**(0.20)**

8 Employee benefits expense

	31 March 2024	31 March 2023
Salaries, wages and bonus	2.63	2.72
Contribution to provident and other funds	0.26	0.29
Share based payments	-	0.02
Staff welfare expenses	0.03	0.06
Recruitment Expenses	0.01	-
Employee trainings expenses	-	0.01
Employee insurance expenses	0.54	0.52
	3.47	**3.62**

(All amounts are in USD ($) crores except share data and otherwise stated)

9 Finance costs	31 March 2024	31 March 2023
Interest expense - Intercompany	0.20	0.22
Finance cost of finance lease obligations	0.08	0.02
	0.28	**0.24**

10 Depreciation and amortization expense	31 March 2024	31 March 2023
Depreciation of property, plant and equipment	0.12	0.15
Depreciation of right-of-use assets	0.35	0.10
Amortisation of intangible assets	0.02	0.05
	0.49	**0.30**

11 Other expenses	31 March 2024	31 March 2023
Rental charges	0.01	-
Rent, leasing and hiring charges	0.14	0.07
Consumption of stores and spares	0.06	0.20
Power and fuel	0.05	0.08
Rates and taxes	-	0.05
Insurance	0.06	0.05
Repairs and maintenance	0.10	0.09
Advertisement and business promotion	-	0.04
Travelling and conveyance	0.10	0.07
Communication costs	0.02	0.02
Printing and stationery	0.01	0.02
Legal and professional fees	0.09	0.11
Security expenses	0.06	0.06
Management fees	0.06	0.05
Loss on sale of property, plant and equipments, net	-	0.03
Software expenses	0.07	0.02
Factoring charges	0.01	0.01
Late fees & Penalties	-	-
Other office expenses	-	0.01
Miscellaneous expenses	-	0.01
	0.84	**0.99**

(All amounts are in USD ($) crores except share data and otherwise stated)

12 Tax expenses

A	Amounts recognised in profit or loss	Year ended 31 March 2024	Year ended 31 March 2023
	Current tax (a)		
	Current tax on profits for the year	0.02	0.01
	Taxes relating to earlier years	-	(0.02)
		0.02	**(0.01)**
	Deferred tax (b)		
	Attributable to origination and reversal of temporary differences	(0.22)	0.02
		(0.22)	**0.02**
	Total Tax expenses (a+b)	**(0.20)**	**0.01**

B	Reconciliation of effective tax rate	Year ended 31 March 2024	Year ended 31 March 2023
	Profit before share of profit of equity accounted investee and income tax	0.04	(0.02)
	Income tax expense at tax rates applicable to individual entities	0.01	(0.01)
	Effect of :		
	Recognition of deferred tax asset on earlier year losses	(0.22)	-
	Utilisation of previously unrecognised tax losses	(0.05)	-
	Items / current year losses for which no deferred tax asset was recognised	0.03	0.03
	Adjustments in respect of current income tax of previous years	-	(0.02)
	Others	0.03	0.01
	Income tax expense as per statement of profit and loss	**(0.20)**	**0.01**

C Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following :

Deferred tax assets (net)	31 March 2024	31 March 2023
Provision for employee benefits	0.01	0.01
Provision for diminution in financial assets	-	-
Provision for others	0.01	0.01
Carried forward tax losses	0.24	0.05
Tax incentives	-	0.02
Right of use asset and liability	0.03	0.01
Deferred tax assets	**0.29**	**0.10**
Property, plant and equipment	0.03	0.04
Prepaid expense	-	0.01
Others	-	0.01
Deferred tax liabilities	**0.03**	**0.06**
Net Deferred tax assets	**0.26**	**0.04**

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Notes to the Consolidated Financial Statements for the year ended 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

12 Income tax expense (continued)

D Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits there from:

Particulars	31 March 2024		31 March 2023	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Tax losses	-	-	0.85	0.21
	-	**-**	**0.85**	**0.21**

E Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

	31 March 2024	31 March 2023
Expiry within 5 years	-	-
Expiry within 5-10 years	-	-
Never expire	-	0.85
	-	**0.85**

(All amounts are in USD ($) crores except share data and otherwise stated)

12 Income tax expense (continued)

C. Recognised deferred tax assets and liabilities (continued)

Movement in deferred tax assets and liabilities

	Balance as at 1 April 2022	Recognised in Profit & Loss	Balance as at 31 March 2023	Recognised in Profit & Loss	Balance as at 31 March 2024
Deferred tax assets (net)					
Provision for employee benefits	0.03	(0.02)	0.01	-	0.01
Provision for diminution in financial assets	0.01	(0.01)	-	-	-
Provision for others	-	0.01	0.01	-	0.01
Carried forward tax losses	0.09	(0.04)	0.05	0.19	0.24
Tax incentives	0.01	0.01	0.02	(0.02)	-
Right of use asset and liability	0.01	-	0.01	0.02	0.03
Others	-	-	-	-	-
Deferred tax assets	0.15	(0.05)	0.10	0.19	0.29
Property, plant and equipment	0.09	(0.05)	0.04	(0.01)	0.03
Prepaid expense	-	0.01	0.01	(0.01)	-
Others	-	0.01	0.01	(0.01)	-
Deferred tax liabilities	0.09	(0.03)	0.06	(0.03)	0.03
Net Deferred tax assets	**0.06**	**(0.02)**	**0.04**	**0.22**	**0.26**
Net amount recognised in statement of profit and loss / other comprehensive income		**0.02**		**(0.22)**	

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13 Property, plant and equipment

A Reconciliation of carrying amount

	Plant and equipment	Furniture and fixtures	Computer equipment	Leasehold improvements	Vehicles	Total
Gross carrying amount						
Balance at 1 April 2022	0.80	0.08	0.11	0.12	0.03	1.14
Other additions	0.01	0.01	0.03	0.02	-	0.07
Disposals	(0.48)	-	-	(0.03)	(0.01)	(0.52)
Balance at 31 March 2023	**0.33**	**0.09**	**0.14**	**0.11**	**0.02**	**0.69**
Balance at 1 April 2023	0.33	0.09	0.14	0.11	0.02	0.69
Other additions	0.02	0.02	0.08	0.06	0.01	0.19
Disposals	(0.08)	-	-	-	(0.02)	(0.10)
Balance at 31 March 2024	**0.27**	**0.11**	**0.22**	**0.17**	**0.01**	**0.78**
Accumulated depreciation and Impairment losses						
Balance at 1 April 2022	0.58	0.01	0.10	0.08	0.03	0.80
Depreciation for the year	0.11	0.01	0.01	0.02	-	0.15
Disposals	(0.47)	-	-	(0.02)	(0.01)	(0.50)
Balance at 31 March 2023	**0.22**	**0.02**	**0.11**	**0.08**	**0.02**	**0.45**
Balance at 1 April 2023	0.22	0.02	0.11	0.08	0.02	0.45
Depreciation for the year	0.06	0.01	0.02	0.02	0.01	0.12
Disposals	(0.08)	-	-	-	(0.02)	(0.10)
Balance at 31 March 2024	**0.20**	**0.03**	**0.13**	**0.10**	**0.01**	**0.47**
Carrying amounts (net)						
As at 31 March 2023	**0.11**	**0.07**	**0.03**	**0.03**	**-**	**0.24**
As at 31 March 2024	**0.07**	**0.08**	**0.09**	**0.07**	**-**	**0.31**

13B Capital work-in-progress & Intangible assets under development

A Ageing of capital work-in-progress & intangible assets under development

As of 31 March 2024	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**> 3 years**	**Total**
Projects in progress					
Capital work-in-progress	0.02	-	-	-	0.02
Intangible assets under development	0.01	-	-	-	0.01
	0.03	**-**	**-**	**-**	**0.03**

As of 31 March 2023	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**> 3 years**	**Total**
Projects in progress					
Capital work-in-progress	0.05	-	-	-	0.05
Intangible assets under development	0.02	-	-	-	0.02
	0.07	**-**	**-**	**-**	**0.07**

(All amounts are in USD ($) crores except share data and otherwise stated)

14 Intangible assets

a Reconciliation of carrying amount

	Goodwill	Computer software	Total (Excluding Goodwill)
Gross carrying amount			
Balance at 1 April 2022	**0.72**	**0.14**	**0.14**
Other additions	**-**	-	-
Balance at 31 March 2023	**0.72**	**0.14**	**0.14**
Balance at 1 April 2023	**0.72**	**0.14**	**0.14**
Other additions	-	0.04	0.04
Balance at 31 March 2024	**0.72**	**0.18**	**0.18**
Accumulated amortization and impairment loss			
Balance at 1 April 2022	**-**	**0.07**	0.07
Amortization for the year	-	0.05	0.05
Balance at 31 March 2023	**-**	**0.12**	**0.12**
Balance at 1 April 2023	**-**	**0.12**	0.12
Amortization for the year	-	0.02	0.02
Balance at 31 March 2024	**-**	**0.14**	**0.14**
Carrying amounts (net)			
At 31 March 2023	**0.72**	**0.02**	**0.02**
At 31 March 2024	**0.72**	**0.04**	**0.04**

(All amounts are in USD ($) crores except share data and otherwise stated)

14 Intangible assets (continued)

b Goodwill Impairment

The Group has performed impairement tests of goodwill for the year ending March 31, 2024. For the purpose of impairement testing, goodwill is allocated to the cash generating units which are expected to benefit from the synergies of the corresponding business combinations. The goodwill impairement test is performed at the level of cash generating unit or a group of cash generating units represented by a common business segment. Cash flows beyond the five year period are extrapolated by using the estimated long term growth rates. The growth rates do not exceed the long term average growth rate for the logistics/supply chain industry in which the cash generating unit operates. Future cash flows are discounted based on the weighted average cost of capital (WACC), taking into account the risks that are specific to the cash generating units.

Impairment: Key assumptions used for calculating the value in use:

Cash generating unit	**SCS NA Group**
Carrying amount of goodwill March 2024	0.72
Carrying amount of goodwill March 2023	0.72
Basis of recoverable amount	Value in use
Pre-tax discount rate March 2024	8.4%
Pre-tax discount rate March 2023	6.9%
Projection period	5 Years
Terminal growth rate March 2024	1.0%
Terminal growth rate March 2023	1.0%

Key assumptions have not changed significantly compared to the previous year with the exception of discount rates used. For March 2024, the recoverable amounts exceeded their carrying amounts and consequently no impairement of goodwill was recognised for the year ending March 31, 2024.

Management considers that it is not likely for the assumptions used to change so significantly, as to eliminate the excess of recoverable amounts.

(All amounts are in USD ($) crores except share data and otherwise stated)

15 Right of use assets

a *The assets leased consist of vehicles forklifts and warehouses for a lease term of more than 12 months.*

b ***Set out below are the carrying amounts of right of use assets recognised and the movements during the year***

	Building	Plant and equipment	Vehicles	Total
Net carrying amount				
Balance as at 1 April 2022	**0.22**	**0.01**	**0.05**	**0.28**
Additions	1.19	-	0.04	1.23
Amortisation *(less)*	(0.07)	-	(0.03)	(0.10)
Balance as at 31 March 2023	**1.34**	**0.01**	**0.06**	**1.41**
Additions	0.55	0.04	0.01	0.60
Amortisation *(less)*	(0.31)	(0.01)	(0.03)	(0.35)
Currency translation and others	-	-	0.01	0.01
Balance as at 31 March 2024	**1.58**	**0.04**	**0.05**	**1.67**

c ***Set out below are the carrying amounts of lease liabilities and the movement during the year***

	31 March 2024	31 March 2023
Balance at the beginning of the year	1.44	0.30
Additions	0.59	1.23
Accretion of interest	0.08	0.02
Payments	(0.33)	(0.11)
Reversals	-	-
Balance at the end of the year	**1.78**	**1.44**
Current	0.48	0.31
Non - Current	1.30	1.13

d ***The following are recongnised in the statement of profit and loss***

	31 March 2024	31 March 2023
Amortisation expenses of right of use assets	0.35	0.10
Interest expenses on lease liabilities	0.08	0.02
Expenses relating to short term leases and leases of low value assets	0.15	0.07
Total amount recognised in profit or loss	**0.58**	**0.19**

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16 Inventories

	31 March 2024	31 March 2023
Stock in trade *(Includes in Transit of $0.18 (31 Mar 2023- $0.09))*	1.18	1.00
	1.18	**1.00**

17 Trade receivables

	31 March 2024	31 March 2023
Gross trade receivables		
Unsecured, considered good from others	0.76	0.34
Trade Receivables which have significant increase in credit Risk	0.01	0.04
	0.77	0.38
Loss allowance		
Unsecured, considered good	(0.01)	(0.04)
	(0.01)	(0.04)
Net trade receivables	**0.76**	**0.34**

31 March 2024	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good							
Undisputed, external	0.73	0.02	-	-	-	-	**0.75**
Intercompany	0.01	-	-	-	-	-	**0.01**
	0.74	**0.02**	**-**	**-**	**-**	**-**	**0.76**
Trade Receivables which have significant increase in credit Risk							
Undisputed, external	-	-	-	0.01	-	-	**0.01**
	-	**-**	**-**	**0.01**	**-**	**-**	**0.01**
Total	**0.74**	**0.02**	**-**	**0.01**	**-**	**-**	**0.77**

31 March 2023	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good							
Undisputed, external	0.24	0.09	0.01	-	-	-	**0.34**
	0.24	**0.09**	**0.01**	**-**	**-**	**-**	**0.34**
Trade Receivables which have significant increase in credit Risk							
Undisputed, external	-	-	-	0.03	-	0.01	**0.04**
	-	**-**	**-**	**0.03**	**-**	**0.01**	**0.04**
Total	**0.24**	**0.09**	**0.01**	**0.03**	**-**	**0.01**	**0.38**

18 Loans

	31 March 2024	31 March 2023
Loan to related parties		
Unsecured, considered good	1.05	0.87
	1.05	**0.87**

19 Deposits and other receivables

	Current	
	31 March 2024	31 March 2023
Security deposits		
Unsecured considered good	0.02	0.01
Other receivables		
Receivable from related parties	0.13	0.05
	0.15	**0.06**

20 Tax assets net

	Non-current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Tax assets				
Advance tax	0.06	0.17	-	-
Tax liability				
Provision for tax	-	-	-	-
	0.06	**0.17**	**-**	**-**

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21 Cash and cash equivalents	31 March 2024	31 March 2023
Cash and cheques on hand		
Cash on hand	-	-
Balance with banks		
On current accounts	0.58	0.75
	0.58	**0.75**

22 Other bank balances	31 March 2024	31 March 2023
Deposits with original maturity of more than three months	-	0.10
	-	**0.10**
Current	-	-
Non-Current*	-	0.10

* Bank of America Inc on March 20, 2023 issued an irrevocable standby letter of credit for $0.10 crores in relation to a lease agreement on behalf of TVS Supply Chain Soluations North America Inc (TVSSCS NA) pursuant to which a security deposit amounting to $0.10 crores was irrecoverably and unconditionally assigned/pledging to Bank of America Inc.

23 Other current assets	31 March 2024	31 March 2023
Unbilled revenue	0.01	0.14
Other current assets		
Prepayment	0.06	0.05
	0.07	**0.19**

24A Share capital	31 March 2024	31 March 2023
Authorised share capital		
120,000 (31 March 2023: 120,000) Common stock of USD 100 each	1.20	1.20
	1.20	1.20
Issued, subscribed and paid up		
Common stock		
61,510 (31 March 2023: 61,510) Common stock of USD 100 each	0.62	0.62
	0.62	**0.62**

a. Reconciliation of shares outstanding at the beginning and at end of the reporting year

	31 March 2024		31 March 2023	
	Nos	in LC	Nos	in LC
Equity shares				
At the beginning of the year	61,510	0.62	61,510	0.62
Movements during the year	-	-	-	-
Outstanding at the end of the year	**61,510**	**0.62**	**61,510**	**0.62**

b. Terms/rights attached to equity shares
The Company has one class of equity shares having face value of USD 100 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company	31 March 2024		31 March 2023	
	Number of shares	% holding	Number of shares	% holding
Equity shares of USD 100 each, fully paid up				
TVS Supply Chain Solutions Limited (Formerly known as TVS Logistics Services Limited)	61,510	100%	61,510	100%

d. Details of shareholding of promoters

	31 March 2024			31 March 2023		
	Number of shares	% holding	% Change During the year	Number of shares	% holding	% Change During the year
TVS Supply Chain Solutions Limited (Formerly known as TVS Logistics Services Limited)	61,510	100%	0%	61,510	100%	0%

24B Other items of OCI	31 March 2024	31 March 2023
Opening balance	(0.04)	(0.04)
Exchange differences in translating financial statements of foreign operations	-	-
	(0.04)	**(0.04)**

(All amounts are in USD ($) crores except share data and otherwise stated)

24C Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

	31 March 2024	31 March 2023
Total current and non-current borrowings	1.43	4.23
Debt	**1.43**	**4.23**
Total equity	1.79	(1.76)
Debt to equity ratio	**0.80**	**(2.40)**

24D Earnings per share

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows

(i) Profit (loss) attributable to equity shareholders	**31 March 2024**	**31 March 2023**
Profit (loss) for the year, attributable to equity shareholders	0.24	(0.03)
(ii) Weighted average number of equity shares	**31 March 2024**	**31 March 2023**
Weighted average number of equity shares outstanding during the year	61,510	61,510
Weighted average number of equity shares	**61,510**	**61,510**
(iii) Basic and diluted earnings per share (USD)	**39.02**	**(5.45)**

25 Borrowings

	31 March 2024	31 March 2023
(a) Current borrowings		
Loan from related parites		
Interest charged loan from related parties	1.43	4.23
	1.43	**4.23**

A. Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

	Currency	Nominal Interest rate	Year of maturity	Carrying amount as at 31 March 2024	Carrying amount as at 31 March 2023
Unsecured loans repayable on demand (Including intercompany)					
TVS Logistics Investment ,UK	GBP	7.31%	Demand	-	0.59
TVS Logistics Investment ,UK	USD	7.31%	Demand	-	0.71
TVS Logistics Investment ,UK	USD	7.31%	Demand	-	1.50
TVS Supply Chain Solutions Limited	USD	2% plus SOFAR	Demand	1.43	1.43
				1.43	**4.23**

B. Details of security for secured loans

Loans repayable on demand from related parties

Unsecured term loan from related parties

In August 2017, TVS Supply Chain Solutions North America Inc. entered into an agreement with TVS Logistics Investment UK Limited for securing loan up-to $ 10,000,000 for working capital purposes. The Company has drawn down an amount of $7,080,000 as at March 31, 2023. The loan has been repaid during the year ended March 31, 2024.

During 2021, TVS Supply Chain Solutions North America, Inc. entered into an agreement with TVS Supply Chain Solutions UK Limited for securing loan up-to £ 5,799,478 for working capital purposes. The Company has drawn down an amount of £4,799,479 as at March 31, 2023 being $ 5,921,117. The loan has been repaid during the year ended March 31, 2024.

During 2017, TVS Supply Chain Solutions North America Inc. entered into an agreement with TVS Logistics Investment UK Limited for securing a loan which has a closing balance of $14,991,434 as on March 31, 2023. The loan has been repaid during the year ended March 31, 2024.

During 2023, TVS Logistics Investments USA entered into an agreements with TVS Supply Chain Solutions Limited for securing loan upto $8,500,000 and $5,821,000. The Company has drawn down an amount of $14,320,970 as at March 31, 2024 ($14,320,970 as at March 31, 2023). The loan is repayable on demand. The loan carries an effective interest of 2% plus SOFAR p.a.

26 Provisions

	Current 31 March 2024	Current 31 March 2023
Provisions for employee benefits		
Liability for compensated absences	0.08	0.09
	0.08	**0.09**

(All amounts are in USD ($) crores except share data and otherwise stated)

27 Trade payables

	31 March 2024	31 March 2023
Trade and other payables to intercompany	0.30	0.28
Other trade payables - services	0.69	0.79
Other trade payables - goods	0.33	0.20
	1.32	**1.27**

31 March 2024	Unbilled Dues	Not due	< 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - Others	0.36	0.48	0.18	-	-	-	**1.02**
Intercompany	-	0.03	-	0.04	0.06	0.17	**0.30**
	0.36	**0.51**	**0.18**	**0.04**	**0.06**	**0.17**	**1.32**

31 March 2023	Unbilled Dues	Not due	< 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - Others	0.29	0.30	0.39	-	-	0.01	**0.99**
Intercompany	-	-	0.05	0.06	0.17	-	**0.28**
	0.29	**0.30**	**0.44**	**0.06**	**0.17**	**0.01**	**1.27**

28 Other financial liabilities

	Current	
	31 March 2024	31 March 2023
Amount due to employees	0.17	0.18
Interest accrued and due on borrowings – related party	0.15	0.12
Capital creditors	0.01	0.03
Payable to related party	0.12	0.36
	0.45	**0.69**

29 Other non current liabilities

	31 March 2024	31 March 2023
Deferred revenue	0.02	0.01
	0.02	**0.01**

30 Other current liabilities

	31 March 2024	31 March 2023
Statutory dues	0.01	0.01
	0.01	**0.01**

(All amounts are in USD ($) crores except share data and otherwise stated)

31 Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"

A Disaggregation of revenue

Segment	31 March 2024			31 March 2023		
	USA	Outside USA	Total	USA	Outside USA	Total
Type of goods or service						
Revenue from supply chain management services	9.53	0.08	9.61	8.70	0.08	8.78
Total revenue from contracts with customers	**9.53**	**0.08**	**9.61**	**8.70**	**0.08**	**8.78**

Revenues from external customers in respect of each category of services rendered by the Group are as follows:

Revenue	31 March 2024	31 March 2023
Outsourced supply chain management	9.61	8.78
	9.61	**8.78**

B Summary of contract balances

Particulars	31 March 2024	31 March 2023
Trade Receivables	0.76	0.34
Contract Assets	0.01	0.14

C Reconciliation of revenue from sale of products/services with the contracted price

Particulars	31 March 2024	31 March 2023
Revenue as per contracted price	9.61	8.78
Less: Trade discounts, volume rebates etc.	-	-
Revenue as per statement of profit and loss	9.61	8.78

32 Transfer pricing

The Company and its subsidiaries each have international and domestic transactions with related parties. The management confirms that it maintains documents as prescribed by the respective laws and regulations of the various jurisdictions in which the Group operates to prove that the international and domestic transactions are at arm’s length and the aforesaid laws and regulations will not have any impact on the consolidated financial statements, particularly on the amount of tax expense and that of provision for taxation upto and for the year ended March 31, 2024.

(All amounts are in USD ($) crores except share data and otherwise stated)

33 Related Party disclosures

A. Enterprise having significant influence	TVS Mobility Private Limited
B. Ultimate holding company	TVS Supply Chain Solutions Limited
B. Subsidiaries	TVS Supply Chain Solutions, North America, Inc. TVS Transporation Solutions, LLC. TVS Supply Chain Solutions De Mexico, S.A. DE C.V. TVS Packaging Solutions Inc. US
C. Fellow subsidiaries	TVS Supply Chain Solutions Limited, UK TVS Supply Chain Solutions Pte. Ltd. Rico Logistics Limited, UK TVS Logistics Investment UK Limited TVS SCS Logistics Ltd TVS SCS Taiwan Limited TVS SCS Global Freight Solutions Ltd.

ii. Transactions during the year:	**31 March 2024**	**31 March 2023**
Other Income		
Rico Logistics Limited, UK - Interest	0.01	0.01
TVS Logistics Investments UK, Limited	0.06	-
Purchase of stock in trade		
TVS SCS Logistics Ltd	0.03	0.06
TVS SCS Taiwan Limited	0.01	-
Expenses incurred on behalf of		
TVS Supply Chain Solutions Limited	0.02	0.01
SPC International Inc.	0.02	-
Other expenses		
TVS Supply Chain Solutions Limited - Management Fees	0.06	0.05
TVS Supply Chain Solutions Limited - Share based payments	-	0.02
TVS Supply Chain Solutions Limited - Casual labour charges	0.01	-
TVS Supply Chain Solutions Limited - Interest Expense	0.10	0.01
TVS Supply Chain Solutions, UK - Legal and professional charges & Interest Expense	-	0.02
TVS Logistics Investments UK, Limited. - Interest Expense	0.10	0.19

(All amounts are in USD ($) crores except share data and otherwise stated)

33 Related Party disclosures (continued)

Year end balances:	31 March 2024	31 March 2023
Loans receivable from		
Rico Logistics Limited, UK	0.12	0.12
TVS Supply Chain Solutions Limited, UK	0.01	0.01
TVS Logistics Investments UK, Limited	0.92	0.74
Trade Receivable		
TVS SCS Global Freight Solutions Ltd.	0.01	-
Other Receivable		
Rico Logistics Limited, UK	0.04	0.03
TVS Logistics Investment UK Limited	0.06	0.01
TVS Supply Chain Solutions Limited	0.03	0.01
Loans payable to		
TVS Logistics Investment UK Limited	-	2.80
TVS Supply Chain Solutions Limited	1.43	1.43
Interest payable		
TVS Supply Chain Solutions Limited	0.13	0.02
TVS Supply Chain Solutions Limited, UK	0.02	0.02
TVS Logistics Investment UK Limited	-	0.08
Other Payable		
TVS Logistics Investment UK Limited	0.09	0.36
TVS Supply Chain Solutions Pte. Ltd.	0.03	-
Trade Payable		
TVS Supply Chain Solutions Limited	0.27	0.27
TVS SCS Logistics Ltd	0.01	0.01
TVS Supply Chain Solutions Pte. Ltd.	0.01	-
TVS SCS Taiwan Limited	0.01	-

(All amounts are in USD ($) crores except share data and otherwise stated)

34 Financial instruments - Fair values and risk management

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories were as follows:

	Note	Carrying amount					
		31 March 2024			31 March 2023		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets not measured at fair value							
Loans	18	-	-	1.05	-	-	0.87
Deposits and other receivables	19	-	-	0.15	-	-	0.06
Trade receivables	17	-	-	0.76	-	-	0.34
Cash and cash equivalents	21	-	-	0.58	-	-	0.75
Other bank balances	22	-	-	-	-	-	0.10
Total		**-**	**-**	**2.54**	**-**	**-**	**2.12**
Financial liabilities not measured at fair value							
Borrowings	25	-	-	1.43	-	-	4.23
Lease liability	15	-	-	1.78	-	-	1.44
Trade payables	27	-	-	1.32	-	-	1.27
Other financial liabilities	32	-	-	0.45	-	-	0.69
Total		**-**	**-**	**4.98**	**-**	**-**	**7.63**

The Group has not disclosed fair values of other financial instruments such as investments, deposits and other receivables, trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables, other financial liabilities because their carrying amounts are reasonable approximations of their fair values. The Group has also not disclosed fair values of investments carried at cost.

34 Financial instruments - Fair values and risk management (continued)

B. Financial risk management

The Group has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework
The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers; loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Group's trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for financial assets are as follows:

	Carrying amount	
	31 March 2024	**31 March 2023**
Trade receivables	0.76	0.34
Cash and cash equivalents	0.58	0.75
Other bank balances	-	0.10
Loans	1.05	0.87
Deposits and other receivables	0.15	0.06
Total	**2.54**	**2.12**

Trade and other receivables
The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. The impairment loss at the reporting dates relates to several customers that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Group determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available information about customers from internal/external sources. The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.

Cash and cash equivalents and other bank balances
The Group holds cash and bank balances of $0.58 crores as at 31 March 2024 (31 March 2023: $0.85 crores). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables, Investments and other financial assets
The Group holds deposits and other receivables, investments and other financial assets of $1.20 crores as at 31 March 2024 (31 March 2023: $0.93 crores). The credit worthiness of such parties are evaluated by the management on an ongoing basis and is considered to be good.

(All amounts are in USD ($) crores except share data and otherwise stated)

34 Financial instruments - Fair values and risk management (continued)

B. Financial risk management (continued)

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group’s approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group’s reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

		Contractual cash flows			
	Carrying amount	**Total**	**1 year or less**	**1-5 years**	**More than 5 years**
31 March 2024					
Non derivative financial liabilities					
Current and non-current borrowings					
Unsecured loans repayable on demand	1.43	1.43	1.43	-	-
Others					
Trade payables	1.32	1.32	1.32	-	-
Lease liability	1.78	2.04	0.46	1.47	0.11
Other financial liabilities	0.45	0.45	0.45	-	-
	4.98	**5.24**	**3.66**	**1.47**	**0.11**

		Contractual cash flows			
	Carrying amount	**Total**	**1 year or less**	**1-5 years**	**More than 5 years**
31 March 2023					
Non derivative financial liabilities					
Current and non-current borrowings					
Unsecured loans repayable on demand	4.23	4.23	4.23	-	-
Others					
Trade payables	1.27	1.27	1.27	-	-
Lease liability	1.44	1.61	0.31	1.30	-
Other financial liabilities	0.69	0.69	0.69	-	-
	7.63	**7.80**	**6.50**	**1.30**	**-**

(All amounts are in USD ($) crores except share data and otherwise stated)

34 Financial instruments - Fair values and risk management (continued)

iv. Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and equity prices will affect the Group and the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk
Foreign exchange risk arises from a change in foreign currency exchange rate, which is expected to have an adverse effect on the Group in the current reporting period and in future years. The Group operates in several countries and subsidiary, associated and joint venture companies within the Group maintain their books and records in their respective functional currencies. The Group's accounting policy is to translate the results of overseas subsidiary companies using the weighted average exchange rates. Net assets denominated in foreign currencies and held at the financial year end are translated into US Dollar, the Group's reporting currency, at year end exchange rates. Fluctuations in the exchange rate between the functional currencies and US Dollar will therefore have an impact on the Group. It is the Group's policy not to hedge exposures arising from such translations.

Exposure to currency risk
The following table analyzes foreign currency risk from financial instruments as of 31 March 2024

	Profit or (loss)		Equity, net of tax	
	Weakening	**Strengthening**	**Weakening**	**Strengthening**
31 March 2024				
Great Britain pound (1% movement)	-	-	-	-
31 March 2023				
Great Britain pound (1% movement)	0.01	(0.01)	-	-

Exposure to interest rate risk
The interest rate profile of the Group's interest-bearing financial instruments is as follows:

	31 March 2024	**31 March 2023**
Fixed rate instruments		
Financial assets		
- Loans	1.05	0.87
- Deposits with banks	-	0.10
Financial liabilities		
- Loans repayable on demand	1.43	4.23

Fair value sensitivity analysis for fixed rate instruments
A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (deposits with banks) are carried at amortised cost, any changes in interest rates are not considered for subsequent measurement.

TVS Logistics Investment USA Inc.
Notes to the Consolidated Financial Statements for the year ended 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

35 Additional information as required under Schedule III to the Companies Act 2013, of entities consolidated as subsidiaries/ associates/ joint ventures

31 March 2024	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % consolidated of total comprehensive income	Amount
Parent								
TVS Logistics Investment USA INC.	153.93%	2.74	25.00%	0.06	0.00%	-	25.00%	0.06
Domestic Subsidiaries - (parent's share)								
TVS America Inc., USA	-5.06%	(0.09)	0.00%	-	0.00%	-	0.00%	-
TVS Supply Chain Solutions North America Inc., USA	144.38%	2.57	108.33%	0.26	0.00%	-	108.33%	0.26
TVS Transportation Solutions LLC, USA	-2.81%	(0.05)	-25.00%	(0.06)	0.00%	-	-25.00%	(0.06)
Foreign Subsidiaries - (parent's share)								
TVS Supply Chain Solutions De Mexico S.A de C.V., Mexico	-0.56%	(0.01)	-12.50%	(0.03)	0.00%	-	-12.50%	(0.03)
Non-controlling interests in all subsidiaries	-2.25%	(0.04)	0.00%	-	0.00%	-	0.00%	-
Eliminations	-187.63%	(3.34)	4.17%	0.01	0.00%	-	4.17%	0.01
As at 31 March 2024	**100.00%**	**1.78**	**100.00%**	**0.24**	**0.00%**	**-**	**100.00%**	**0.24**

31 March 2023	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % consolidated of total comprehensive income	Amount
Parent								
TVS Logistics Investment USA INC.	36.01%	(0.64)	382.99%	(0.12)	0.00%	-	400.00%	(0.12)
Domestic Subsidiaries - (parent's share)								
TVS America Inc., USA	5.04%	(0.09)	2.39%	-	0.00%	-	0.00%	-
TVS Supply Chain Solutions North America Inc., USA	-103.97%	1.84	-301.50%	0.10	0.00%	-	-333.33%	0.10
TVS Transportation Solutions LLC, USA	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign Subsidiaries - (parent's share)								
TVS Supply Chain Solutions De Mexico S.A de C.V., Mexico	-0.93%	0.02	16.12%	(0.01)	0.00%	-	33.33%	(0.01)
Non-controlling interests in all subsidiaries	2.42%	(0.04)	0.00%	-	0.00%	-	0.00%	-
Eliminations	161.43%	(2.85)	0.00%	-	0.00%	-	0.00%	-
As at 31 March 2023	**100.00%**	**(1.76)**	**100.00%**	**(0.03)**	**0.00%**	**-**	**100.00%**	**(0.03)**

(All amounts are in USD ($) crores except share data and otherwise stated)

36 Capital commitments and contingent liabilities

The Group does not any contingent liabilities and capital commitments as at March 31, 2024 (March 31, 2023: Nil)

37 List of subsidiaries

	Country of incorporation	Ownership interest 31 March 2024	Ownership interest 31 March 2023
Name of direct subsidiaries of the Company			
TVS America Inc., USA	USA	51.00%	51.00%
TVS Supply Chain Solutions North America Inc., USA (formerly known as Wainwright Industries Inc. USA)	USA	100.00%	100.00%
Subsidiaries of TVS Supply Chain Solutions North America Inc., USA			
TVS Transportation Solutions LLC, USA	USA	100.00%	100.00%
TVS Supply Chain Solutions De Mexico S.A de C.V., Mexico	Mexico	100.00%	100.00%
TVS Packaging Solutions Inc. US	USA	100.00%	100.00%

38 Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of these consolidated financial statements.

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 27, 2024

Ravi Prakash Bhagavathula
Director

Place : Chennai
Date : May 27, 2024

TVS SCS North America Inc.

FY 2023-24

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors,
TVS Supply Chain Solutions Limited
(Holding Company of TVS SCS North America Inc.)

Report on the Audit of the Special Purpose Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying special purpose standalone Ind AS financial statements of TVS SCS North America Inc. ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose standalone Ind AS financial statements 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 March 31, 2024, its profit, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the special purpose standalone Ind AS financial statements in accordance with the generally accepted Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Special Purpose Standalone Ind AS 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the special purpose standalone Ind AS financial statements.

Responsibility of Management for the Special Purpose Standalone Ind AS Financial Statements

The Board of Directors of TVS Supply Chain Solutions Limited and TVS SCS North America Inc., are responsible for the preparation of these special purpose standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company that give a true and fair view in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 special purpose standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose standalone Ind AS financial statements, the Board of Directors of TVS Supply Chain Solutions Limited and TVS SCS North America Inc., 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.

Those Board of Directors of TVS Supply Chain Solutions Limited and TVS SCS North America Inc., are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose standalone Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the special purpose standalone Ind AS financial statements, including the disclosures, and whether the special purpose standalone Ind AS 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 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.

Other Matters – Restriction on use

These special purpose standalone Ind AS financial statements are prepared, and this report thereon is issued for the purpose of submission to lenders as part of facilities agreement signed between lenders and TVS Logistics Investment UK Limited, TVS Supply Chain Solutions Limited, Rico Logistics Limited, TVS SCS Singapore Pte. Ltd. and TVS Supply Chain Solutions North America Inc. for meeting loan covenants applicable to the Company and should not be used for any other purpose without our prior written consent. 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 **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
Place of Signature: Chennai
Date: May 23, 2024
UDIN: 24210934BKFUMV5496

TVS Supply Chain Solutions North America, Inc.
Standalone Balance Sheet as at 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	13	0.30	0.24
Capital work-in-progress	13B	0.02	0.05
Goodwill	14	0.72	0.72
Other Intangible assets	14	0.04	0.02
Intangible asset under development	13B	0.01	0.02
Right-of-use assets	15	1.63	1.35
Financial assets			
Investments	16	0.09	0.09
Other bank balances	24	-	0.10
Non current tax assets	22	0.06	0.17
Deferred tax assets	12	0.11	0.04
Total non - current assets		**2.98**	**2.80**
Current Assets			
Inventories	17	1.18	1.00
Financial assets			
Trade receivables	18	0.74	0.31
Cash and cash equivalents	23	0.57	0.73
Loans	19	0.08	0.50
Deposits and other receivables	20	0.45	2.54
Other financial assets	21	0.02	0.11
Other current assets	25	0.07	0.04
Total current assets		**3.11**	**5.23**
Total Assets		**6.09**	**8.03**
EQUITY AND LIABILITIES			
Equity			
Share capital	26A	-	-
Other Equity		2.57	1.82
Total Equity		**2.57**	**1.82**

TVS Supply Chain Solutions North America, Inc.
Standalone Balance Sheet as at 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
Liabilities			
Non-current liabilities			
Financial Liabilities			
Lease liability	15	1.29	1.09
Other non current liabilities	31	0.02	0.01
Total Non-current liabilities		**1.31**	**1.10**
Current liabilities			
Financial Liabilities			
Borrowings	27	-	2.80
Lease liability	15	0.46	0.29
Trade payables	29	1.32	1.24
Other financial liabilities	30	0.34	0.68
Provisions	28	0.08	0.09
Other current liabilities	32	0.01	0.01
Total current liabilities		**2.21**	**5.11**
Total liabilities		**3.52**	**6.21**
Total Equity and liabilities		**6.09**	**8.03**

The notes from 1 to 38 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 23, 2024

for and on behalf of the board of directors of
TVS SCS North America.Inc

Arthur Hovater
Director
Place :
Date : May 23, 2024

Ravi Viswanathan
Director
Place :
Date : May 23, 2024

TVS Supply Chain Solutions North America, Inc.
Standalone Statement of Profit and Loss for the year ended 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Continuing Operations			
Revenue from operations	4	9.47	8.48
Other income	5	0.06	0.22
Total income		**9.53**	**8.70**
Expenses			
Purchase of stock in trade	6	4.69	3.80
Change in inventory of stock in trade	7	(0.17)	(0.20)
Employee benefits expense	8	3.33	3.43
Finance costs	9	0.17	0.21
Depreciation and amortization expense	10	0.47	0.27
Other expenses	11	0.84	1.07
Total expenses		**9.33**	**8.58**
Profit from continuing operations before income tax		**0.20**	**0.12**
Income tax expense			
Current Tax (net of refunds)	12	0.02	(0.01)
Deferred tax	12	(0.07)	0.02
Income tax expenses		**(0.05)**	**0.01**
Profit/(Loss) for the year		**0.25**	**0.11**
Earnings per share			
Basic and diluted earnings per share (USD)	26C	**778.94**	**342.73**

The notes from 1 to 38 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
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Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 23, 2024

Arthur Hovater
Director
Place :
Date : May 23, 2024

Ravi Viswanathan
Director
Place :
Date : May 23, 2024

TVS Supply Chain Solutions North America, Inc.
Standalone statement of cash flows for the year ended 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from operating activities		
Profit before tax	**0.20**	**0.12**
Adjustments for:		
Depreciation of property, plant and equipment	0.12	0.15
Amortisation of intangibles	0.02	0.05
Amortisation of Right of use assets	0.33	0.07
Finance costs	0.17	0.21
Loss/(Gain) on sale of property, plant and equipment	-	0.03
Equity-settled share-based payments	-	0.02
Provision/Allowance for doubtful debts	-	(0.01)
Interest income	(0.06)	(0.15)
Exchange (gain)/loss on currency transaction/translation	-	(0.07)
	0.78	**0.42**
Working capital adjustments:		
(Increase) / decrease in inventories	(0.18)	(0.20)
(Increase) / decrease in trade receivables	(0.43)	(0.05)
(Increase) / decrease in other current and non-current, financial and non-financial assets	2.15	(0.22)
Increase / (decrease) in trade payables	0.08	0.33
Increase / (decrease) in provisions	(0.01)	(0.01)
Increase / (decrease) in other current and non-current financial and non-financial liabilities	(0.32)	0.24
Cash generated from operating activities	**2.07**	**0.51**
Income tax refund/(paid) (net)	0.09	0.13
Net cash from operating activities (A)	**2.16**	**0.64**
Cash flows from investing activities		
Interest received	0.06	0.15
Loans given to fellow subsidiaries	0.42	(0.02)
Purchase of property, plant and equipment	(0.16)	(0.12)
Purchase of intangible assets	(0.03)	(0.02)
Net cash used in investing activities (B)	**0.39**	**(0.11)**

TVS Supply Chain Solutions North America, Inc.
Standalone statement of cash flows for the year ended 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from financing activities		
Capital contributions	0.50	-
Interest paid	(0.10)	(0.19)
Payment of finance lease obligations	(0.31)	(0.07)
Proceeds/(repayment) of intercompany borrowing	(2.80)	(0.17)
Net cash flow from (used in) financing activities (C)	**(2.71)**	**(0.43)**
Net increase in cash and cash equivalents (A+B+C)	**(0.16)**	**0.10**
Cash and cash equivalents at the begnining of the year	0.73	0.63
Cash and cash equivalents at 31 March 2024	**0.57**	**0.73**

The notes from 1 to 38 form an integral part of the standalone financial statements.

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Firm Registration Number : 101049W / E300004
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Bharath N S
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Place : Chennai
Date : May 23, 2024

for and on behalf of the board of directors of
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Arthur Hovater
Director
Place :
Date : May 23, 2024

Ravi Viswanathan
Director
Place :
Date : May 23, 2024

TVS Supply Chain Solutions North America, Inc.
Standalone statement of changes in equity for the year ended 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

A Equity Share Capital*

	Amount
Balance as at 1 April 2022	**-**
Changes in equity share capital during the year 2022-23	-
Balance as at 31 March 2023	**-**
Changes in equity share capital during the year 2023-24	-
Balance as at 31 March 2024	**-**

*As at March 31, 2023 and March 31, 2024, Equity Share Capital stood at $ 3209.50/- There were no changes during the years ended March 31, 2023 and March 31, 2024.

B Other equity

	Securities Premium	Retained earnings	Total
Balance as at 1 April 2022	2.61	(0.90)	1.71
Total comprehensive income for the year ended 31 March 2023			
Profit for the year	-	0.11	0.11
Other comprehensive income (net of tax)	-	-	-
Total comprehensive income	**-**	**0.11**	**0.11**
Balance as at 31 March 2023	**2.61**	**(0.79)**	**1.82**
Balance as at 1 April 2023	**2.61**	**(0.79)**	**1.82**
Total comprehensive income for the year ended 31 March 2024			
Profit for the year	-	**0.25**	0.25
Other comprehensive income (net of tax)	-	-	-
Total comprehensive income	**-**	**0.25**	**0.25**
Transactions with owners recorded directly in equity			
Contributions by and distribution to owners			
Capital contribution during the year	0.50	-	0.50
Total contributions by and distributions to owners	**0.50**	**-**	**0.50**
Balance as at 31 March 2024	**3.11**	**(0.54)**	**2.57**

The notes from 1 to 38 form an integral part of the standalone financial statements.

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Firm Registration Number : 101049W / E300004
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Arthur Hovater
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Ravi Viswanathan
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Place :
Date : May 23, 2024

1 Reporting entity

TVS SCS North America.Inc ("TVS SCS NA" or the "Company") is a wholly owned subsidiary of TVS Logistics Investments USA, Inc..

The Company is a provider of specialized logistics and material management services and manufacturer of specialized assemblies and components throughout the United States. The Company has facilities located in Missouri, Iowa, South Carolina, Tenessee and California. These standalone financial statements are prepared for meeting the financial reporting requirements of the Ultimate holding Company.

2 Basis of preparation

A Statement of compliance and Going concern

These special purpose standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the reporting requirements of the Ultimate Holding Company. The standalone financial statements are presented in US Dollars ("USD"), except when otherwise indicated

As at March 31 2024, the net worth of the Company is fully eroded on account of operational losses. The Company has made a detailed assessment of its liquidity position using available information, estimates and judgements.

Further, the Parent Company has provided letter of support necessary to sustain the operations in the foreseeable future to meet the Company's obligation as and when they fall due, if any. Based on the foregoing management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future. Accordingly, these special purpose standalone financial statements have been prepared on a going concern basis.

Details of the Company's accounting policies are included in Note 3.

The above special purpose standalone financial statements for the year ended March 31, 2024 were approved by the board of directors on May 23, 2024.

B Functional and presentation currency

These standalone financial statements are presented in United States Dollars (USD), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crores, unless otherwise stated.

C Basis of measurement

These standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	**Measurement basis**
Certain financial assets and liabilities (including derivative instruments)	Fair value
Contingent consideration in business combination	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

D Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:
- Note 3 (J) & 4 - Recognition of revenue
- Note 3 (C), (D) & (F), 13 and 14 - Property, plant and equipment and intangible assets – useful lives and impairment
- Note 3 (F) (i) & 18 - Allowances for credit losses for trade receivables
- Note 3 (F) (ii) & 14 - Impairment testing for goodwill
- Note 3 (K), 15 - Lease classification, termination and renewal option of leases

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2024 is included in the following notes:
- Note 12 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 14 - Impairment testing for goodwill
- Note 36 – Impairment of Financial Instruments.

2 Basis of preparation (continued)

E Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 36 – financial instruments

F Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless 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 current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3 Material accounting policies

A Foreign currency

i. Foreign currency transactions
Transactions in foreign currencies are translated into the functional currency of the company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

B Financial instruments

i. Recognition and initial measurement
Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets
On initial recognition, a financial asset is classified as measured at
- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
− the asset is held within a business model whose objective is to hold assets 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.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses
Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3 Material accounting policies (continued)

B Financial instruments (continued)

iii. Derecognition

Financial assets
The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting
Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

C Property, plant and equipment

i. Recognition and measurement
Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure
Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation
Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases 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. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	**Management estimate of useful life (in years)**
Buildings	15
Plant and Equipment	3-10
Furniture and fixtures	1-10
Vehicles	8-10
Office equipment	3-5
Computer equipment	3-6
Leasehold improvements	1-9*

* Leasehold improvements are amortised on a straight line basis over the useful life of the asset or the lease period whichever is lower.

3 Material accounting policies (continued)

C Property, plant and equipment (continued)

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from those prescribed in Schedule II of the Act.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

D Goodwill and other intangibles

i. Goodwill
For measurement of goodwill that arises on a business combination, it represents the excess of (a) consideration paid for acquiring control and (b) acquisition date fair value of previously held ownership interest, if any, in a subsidary over the Group's share in the fair value of the net assets (including identifiable intangibles) of the subsidary as on the date of acquisition of control. Subsequent measurement is at cost less any accumulated

ii. Other intangible assets
Other intangible assets including those acquired by the Company in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

iii. Subsequent expenditure
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iv. Amortisation
Goodwill is not amortised and is tested for impairment annually.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows:

Asset	**Management estimate of useful life (in years)**
Patents and trademarks	3-5
Customer relationship and others	3-5
Brands	3-5
Computer software	1-6

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

E Inventories

Inventories consist of packing materials, stores, stock in trade and spare parts and are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item by item basis.

F Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on
- financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is ‘credit - impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

3 Material accounting policies (continued)

F Impairment (continued)

i. Impairment of financial instruments (continued)

Evidence that a financial asset is credit- impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12 month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward - looking information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

Measurement of expected credit losses
Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets
The Company's non-financial assets, 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. Goodwill is tested for impairment annually.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

3 Material accounting policies (continued)

F Impairment (continued)

ii. Impairment of non-financial assets (continued)

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication 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. Such a reversal is made only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

G Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, 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 amount of obligation can be estimated reliably.

(ii) Share-based payment transactions

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an employee benefit expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(iii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company and its subsidiaries in various geographies make contributions, generally determined as a specified percentage of employee salaries, in respect of qualifying employees in accordance with the local laws and regulations in the respective countries which are defined contribution plans. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

(iv) Compensated Absences

Accumulated compensated absences, which are expected to be availed within 12 months from the end of the year are treated as short term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

H Provisions (other than for employee benefits)

A provision is recognised 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 benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

3 Material accounting policies (continued)

I Contingent liabilities and contingent assets

Contingent liability is disclosed for all:
- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)
- present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Company discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

J Revenue

i. Sale of Products
Revenue from sales of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns and trade discounts/rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods and the amount of revenue can be measured reliably.

ii. Rendering of services
Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Such revenue is recognised upon the Company's performance of its contractual obligations and on satisfying all the following conditions:
(1) Parties to the contract have approved the contract and undertaken to perform their respective obligations;
(2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the "Transfer");
(3) Such contract contains specific payment terms in relation to the Transfer;
(4) Such contract has a commercial nature, namely, it will change the risk, time distribution or amount of the Company's future cash flow;
(5) The Company is likely to recover the consideration it is entitled to for the Transfer to customers.

Revenue is recognised when no significant uncertainty exists regarding the collection of the consideration. The amount recognised as revenue is exclusive of all indirect taxes and net of returns and discounts.

Performance Obligations:

Supply chain management
The Company's supply chain management segment generates revenue from services to its customers such as warehousing, packaging, kitting, reverse logistics and inventory management contracts ranging from a few months to a few years. The Company's performance obligations are satisfied over time as customers simultaneously receive and consume the benefits of the Company's services. The contracts contain a single performance obligation, as the distinct services provided remain substantially the same over time and possess the same pattern of transfer. The transaction price is based on the consideration specified in the contract with the customer and contains fixed and variable consideration. In general, the fixed component of a contract represents amounts for facility and equipment costs incurred to satisfy the performance obligation and is recognized over the term of the contract.

Variable consideration:
Generally, the Company's contracts contain provisions for adjustments to pricing based on achieving agreed-upon performance metrics, changes in volumes, services and market conditions. Revenue relating to these pricing adjustments is estimated and included in the consideration if it is probable that a significant revenue reversal will not occur in the future. The estimate of variable consideration is determined either by the expected value or most likely amount method and factors in current, past and forecasted experience with the customer. Customers are billed based on terms specified in the revenue contract and remit payment according to approved payment terms.

Contract balances:

a) Contract assets:
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

3 Material accounting policies (continued)

J Revenue (continued)

ii. Rendering of services (continued)

b) Contract liabilities:
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

K Leases

Company as lessee
The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets
The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are subject to impairement.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

(ii) Lease liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3 Material accounting policies (continued)

K Leases (continued)

(iv) Key matters involving significant judgement

(a) Determining the lease term of contracts with termination options – Company as lessee
As per Ind AS 116, termination options are to be considered in determining the non-cancellable period. The period covered by the termination option is included if the lessee is not reasonably certain to exercise the option. Lease term is the non-cancellable period of a lease, together with any optional periods that the lessee is reasonably certain to use. The non-cancellable period of a lease is any period during which the lessee cannot terminate the contract. Consequently, any non-cancellable period in effect sets a minimum lease term. This is usually referred as “lock-in” period in the lease contract. Generally, the lease contracts are cancellable once the “lock-in” period is over, and, in most cases, the termination option is mutually available with minimum notice period requirements under the contract.

In general, since Company has made significant investments in each of the warehouse in the form of leasehold improvements, racking equipment etc. and the termination would lead to additional expenses (losses) for dismantling and would lead to business disruption, the management in general has concluded that there is economic disincentive for the Company to discontinue / terminate any arrangement. Accordingly, applying Para B34 of Ind AS 116, except for specific cases, the Company concludes that non-cancellable period generally includes the lease period covered by the option to terminate.

(b) Determining the lease term of contracts with renewal options – Company as lessee
As per Ind AS 116, the period covered by extension option is included if the lessee is reasonably certain to exercise the option.

As reasonable certainty is a high threshold, the Company believes in most leases where the lease term is greater than 3 years assuming reasonable certainty on lease commencement date may not be appropriate and must be evaluated on a case to case basis, considering factors such as investment in the property, renewal lease rates, specific modifications to property to meet customer requirements, importance of the location and impact on overall business disruption etc.

L Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company’s right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

M Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

3 Material accounting policies (continued)

M Income tax (continued)

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on 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 at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

N Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

O Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

P Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

Q Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Key managerial personnel comprising the Managing Director and Deputy Managing Director assess the financial performance and position of the Company, and make strategic decisions and have been together identified as being the chief operating decision maker ('CODM').

R Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3 Material accounting policies (continued)

S New and amended standards

Changes in accounting standards and disclosures

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1

The amendments are not expected to have a material impact on the Company's financial statements.

T Standards notified but not yet effective

There are no such Standards which are notified but not yet effective.

TVS Supply Chain Solutions North America, Inc.
Notes to the standalone financial statements for the year ended 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

		Year ended 31 March 2024	Year ended 31 March 2023
4	**Revenue from operations**		
	Sale of products	5.18	4.34
	Sale of services		
	Income from logistics services	4.29	4.14
		4.29	**4.14**
	Total	**9.47**	**8.48**

		31 March 2024	31 March 2023
5	**Other income**		
	Interest income under the effective interest method on:		
	Loss (gain) on foreign currency transactions and translations	-	0.08
	Interest charged to a related company	0.06	0.14
		0.06	**0.22**

		31 March 2024	31 March 2023
6	**Purchase of stock in trade**		
	Purchase of stock in trade	4.69	3.80
		4.69	**3.80**

		31 March 2024	31 March 2023
7	**Change in inventory of stock-in-trade**		
	Inventories at the beginning of the year		
	Stock-in-trade	1.00	0.80
	Inventories at the end of the year		
	Stock-in-trade	(1.17)	(1.00)
		(0.17)	**(0.20)**

TVS Supply Chain Solutions North America, Inc.
Notes to the standalone financial statements for the year ended 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

8	Employee benefits expense	31 March 2024	31 March 2023
	Salaries, wages and bonus	2.52	2.57
	Contribution to provident and other funds	0.25	0.28
	Share based payments	-	0.02
	Staff welfare expenses	0.02	0.04
	Recruitment Expenses	0.01	-
	Employee Trainings Expenses	-	0.01
	Employee insurance expenses	0.53	0.51
		3.33	**3.43**

9	Finance costs	31 March 2024	31 March 2023
	Interest expense - Intercompany	0.10	0.19
	Finance cost of finance lease obligations	0.07	0.02
		0.17	**0.21**

(All amounts are in USD ($) crores except share data and otherwise stated)

10	Depreciation and amortization expense	31 March 2024	31 March 2023
	Depreciation of property, plant and equipment	0.12	0.15
	Depreciation of right-of-use assets	0.33	0.07
	Amortisation of intangible assets	0.02	0.05
		0.47	**0.27**

11	Other expenses	31 March 2024	31 March 2023
	Freight, clearing, forwarding and handling charges	0.01	-
	Casual labour charges	0.04	0.20
	Rental charges	0.01	-
	Rent, Leasing and hire charges	0.12	0.04
	Consumption of stores and spares	0.06	0.20
	Power and fuel	0.04	0.03
	Rates and taxes	0.01	0.04
	Insurance	0.06	0.04
	Repairs and maintenance	0.09	0.09
	Advertisement and business promotion	-	0.04
	Travelling and conveyance	0.09	0.06
	Communication costs	0.02	0.02
	Printing and stationery	0.01	0.02
	Legal and professional fees	0.09	0.11
	Security expenses	0.05	0.06
	Business development and management services	0.01	-
	Provision for doubtful debts	-	(0.01)
	Management fees	0.06	0.05
	Loss on sale of property plant and equipments, net	-	0.03
	Software expenses	0.06	0.02
	Factoring charges	0.01	0.01
	Other office expenses	-	0.01
	Miscellaneous expenses	-	0.01
		0.84	**1.07**

TVS Supply Chain Solutions North America, Inc.
Notes to the standalone financial statements for the year ended 31 March 2024
(All amounts are in USD ($) crores except share data and otherwise stated)

12 Income tax expense

A Amounts recognised in profit or loss	Year ended 31 March 2024	Year ended 31 March 2023
Current tax (a)		
Current tax on profits for the year	0.02	0.01
Taxes relating to earlier years	-	(0.02)
	0.02	**(0.01)**
Deferred tax (b)		
Attributable to origination and reversal of temporary differences	(0.07)	0.02
	(0.07)	**0.02**
Tax expense (a+b)	**(0.05)**	**0.01**

B Reconciliation of effective tax rate	Year ended 31 March 2024	Year ended 31 March 2023
Profit before share of profit of equity accounted investee and income tax	**0.20**	**0.12**
Income tax expense at tax rates applicable to individual entities	0.05	0.03
Effect of :		
Recognition of deferred tax asset on earlier year losses	(0.09)	(0.02)
Utilisation of previously unrecognised tax losses	(0.04)	-
Others	0.03	-
Income tax expense as per statement of profit and loss	**(0.05)**	**0.01**

C Recognised deferred tax assets and liabilities

a. Deferred tax assets and liabilities are attributable to the following :

Deferred tax assets (net)	31 March 2024	31 March 2023
Provision for employee benefits	0.01	0.01
Provision for diminution in financial assets	-	-
Provision for others	-	0.01
Carried forward tax losses	0.09	0.06
Tax incentives	-	-
Right of use asset and liability	0.03	0.01
Deferred tax assets	**0.14**	**0.10**
Property, plant and equipment	0.03	0.04
Others	-	0.02
Deferred tax liabilities	**0.03**	**0.06**
Net Deferred tax assets	**0.11**	**0.04**

(All amounts are in USD ($) crores except share data and otherwise stated)

12 Income tax expense (continued)

C. Recognised deferred tax assets and liabilities (continued)

b. Movement in deferred tax assets and liabilities

	Balance as at 1 April 2022	Recognised in Profit & Loss	Balance as at 31 March 2023	Recognised in Profit & Loss	Balance as at 31 March 2024
Deferred tax assets (net)					
Provision for employee benefits	0.03	(0.02)	0.01	-	0.01
Provision for diminution in financial assets	0.01	(0.01)	-	-	-
Provision for others	-	0.01	0.01	(0.01)	-
Carried forward tax losses	0.10	(0.04)	0.06	0.03	0.09
Right of use asset and liability	0.01	-	0.01	0.02	0.03
Others	-	0.01	0.01	-	0.01
Deferred tax assets	0.15	(0.05)	0.10	0.04	0.14
Property, plant and equipment	0.09	(0.05)	0.04	(0.01)	0.03
Prepaid expense	-	0.01	0.01	(0.01)	-
Forex	-	0.01	0.01	(0.01)	-
Deferred tax liabilities	0.09	(0.03)	0.06	(0.03)	0.03
Net Deferred tax assets	**0.06**	**(0.02)**	**0.04**	**0.07**	**0.11**
Net amount recognised in statement of profit and loss / other comprehensive income	**(0.06)**	**0.02**		**(0.07)**	

13 Property, plant and equipment

A Reconciliation of carrying amount

	Plant and equipment	Furniture and fixtures	Computer equipment	Leasehold improvements	Vehicles	Total
Gross carrying amount						
Balance at 1 April 2022	**1.04**	**0.10**	**0.15**	**0.17**	**0.04**	**1.50**
Other additions	0.01	0.01	0.03	0.03	-	0.08
Disposals	(0.48)	-	-	(0.03)	(0.01)	(0.52)
Balance at 31 March 2023	**0.57**	**0.11**	**0.18**	**0.17**	**0.03**	**1.06**
Balance at 1 April 2023	**0.57**	**0.11**	**0.18**	**0.17**	**0.03**	**1.06**
Other additions	0.02	0.02	0.08	0.06	0.01	0.19
Disposals	(0.08)	-	-	-	(0.01)	(0.09)
Exchange differences on translation of foreign operations	-	-	-	-	-	-
Balance at 31 March 2024	**0.51**	**0.13**	**0.26**	**0.23**	**0.03**	**1.16**
Accumulated depreciation and Impairment losses						
Balance at 1 April 2022	**0.83**	**0.03**	**0.14**	**0.13**	**0.04**	**1.17**
Depreciation for the year	0.12	0.01	0.01	0.01	-	0.15
Disposals	(0.47)			(0.02)	(0.01)	(0.50)
Balance at 31 March 2023	**0.48**	**0.04**	**0.15**	**0.12**	**0.03**	**0.82**
Balance at 1 April 2023	**0.48**	**0.04**	**0.15**	**0.12**	**0.03**	**0.82**
Depreciation for the year	0.06	0.01	0.02	0.03	-	0.12
Disposals	(0.08)	-	-	-	-	(0.08)
Exchange differences on translation of foreign operations	-	-	-	-	-	-
Balance at 31 March 2024	**0.46**	**0.05**	**0.17**	**0.15**	**0.03**	**0.86**
Carrying amounts (net)						
As at 31 March 2023	**0.09**	**0.07**	**0.03**	**0.05**	**-**	**0.24**
As at 31 March 2024	**0.05**	**0.08**	**0.09**	**0.08**	**-**	**0.30**

Note:

Carrying value of property, plant and equipment pledged as collateral for liabilities as at March 31, 2024 is NIL (March 31, 2023: $ 0.05 crores). With in the 12 months ended March 31, 2023 the loan was paid in full and the collateral was released.

13B Capital work-in-progress

A Ageing of capital work-in-progress

As of 31 Mar 2024	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**> 3 years**	**Total**
Projects in progress					
Capital work-in-progress	0.02	-	-	-	0.02
Intangible assets under development	0.01	-	-	-	0.01
	0.03	**-**	**-**	**-**	**0.03**

As of 31 Mar 2023	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**> 3 years**	**Total**
Projects in progress					
Capital work-in-progress	0.05	-	-	-	0.05
Intangible assets under development	0.02	-	-	-	0.02
	0.07	**-**	**-**	**-**	**0.07**

(All amounts are in USD ($) crores except share data and otherwise stated)

14 Intangible assets

a Reconciliation of carrying amount

	Goodwill	Customer relationship & others	Computer software	Total (Excluding Goodwill)
Gross carrying amount				
Balance as at 1 April 2022	0.72	0.01	0.27	**0.28**
Other additions	-	-	-	-
Disposals	-	-	-	-
Balance at 31 March 2023	**0.72**	**0.01**	**0.27**	**0.28**
Balance at 1 April 2023	**0.72**	**0.01**	**0.27**	**0.28**
Other additions	-	-	0.04	0.04
Balance at 31 March 2024	**0.72**	**0.01**	**0.31**	**0.32**
Accumulated amortization and				
Balance as at 1 April 2022	-	0.01	0.20	0.21
Amortization for the year	-	-	0.05	0.05
Impairment for the year	-	-	-	-
Balance at 31 March 2023	**-**	**0.01**	**0.25**	**0.26**
Balance at 1 April 2023	**-**	**0.01**	**0.25**	**0.26**
Amortization for the year	-	-	0.02	0.02
Balance at 31 March 2024	**-**	**0.01**	**0.27**	**0.28**
Carrying amounts (net)				
At 31 March 2023	**0.72**	**-**	**0.02**	**0.02**
At 31 March 2024	**0.72**	**-**	**0.04**	**0.04**

(All amounts are in USD ($) crores except share data and otherwise stated)

14 Intangible assets (continued)

b Impairment loss and subsequent reversal

The Company has performed impairement tests of goodwill for the year ending March 31, 2024. For the purpose of impairement testing, goodwill is allocated to the cash generating units which are expected to benefit from the synergies of the corresponding business combinations. The goodwill impairement test is performed at the level of cash generating unit or a group of cash generating units represented by a common business segment. Cash flows beyond the five year period are extrapolated by using the estimated long term growth rates. The growth rates do not exceed the long term average growth rate for the logistics/supply chain industry in which the cash generating unit operates. Future cash flows are discounted based on the weighted average cost of capital (WACC), taking into account the risks that are specific to the cash generating units.

Impairment: Key assumptions used for calculating the value in use:

Cash generating unit	**SCS NA**
Carrying amount of goodwill March 2024	**0.72**
Carrying amount of goodwill March 2023	**0.72**
Basis of recoverable amount	Value in use
Pre-tax discount rate March 2024	8.4%
Pre-tax discount rate March 2023	6.9%
Projection period	5 Years
Terminal growth rate March 2024	1.0%
Terminal growth rate March 2023	1.0%

Key assumptions have not changed significantly compared to the previous year with the exception of discount rates used. For March 2024, the recoverable amounts exceeded their carrying amounts and consequently no impairement of goodwill was recognised for the year ending March 31, 2024.

(All amounts are in USD ($) crores except share data and otherwise stated)

15 Right of use assets

a *The assets leased consist of vehicles forklifts and warehouses for a lease term of more than 12 months.*

b ***Set out below are the carrying amounts of right of use assets recognised and the movements during the year***

	Building	Plant and equipment	Vehicles	Total
Net carrying amount				
Balance as at 1 April 2022	**0.22**	**0.01**	**-**	**0.23**
Additions	1.19	-	-	1.19
Reversals *(less)*	-	-	-	-
Amortisation *(less)*	(0.07)	-	-	(0.07)
Balance as at 31 March 2023	**1.34**	**0.01**	**-**	**1.35**
Additions	0.54	0.03	0.04	0.61
Amortisation *(less)*	(0.30)	(0.01)	(0.02)	(0.33)
Currency translation and others	-	-	-	-
Balance as at 31 March 2024	**1.58**	**0.03**	**0.02**	**1.63**

c ***Set out below are the carrying amounts of lease liabilities and the movement during the year***

	31 March 2024	31 March 2023
Balance at the beginning of the year	1.38	0.24
Additions	0.61	1.19
Accretion of interest	0.07	0.02
Payments	(0.31)	(0.07)
Reversals	-	-
Balance at the end of the year	**1.75**	**1.38**
Current	0.46	0.29
Non - Current	1.29	1.09

d ***The following are recongnised in the statement of profit and loss***

	31 March 2024	31 March 2023
Amortisation expenses of right of use assets	0.33	0.07
Interest expenses on lease liabilities	0.07	0.02
Gain on termination of lease	-	-
Leasing and hire charges	0.04	0.03
Rent	0.07	0.01
Total amount recognised in profit or loss	**0.51**	**0.13**

TVS Supply Chain Solutions North America, Inc.
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16 Investments

Non-current investments	**31 March 2024**	**31 March 2023**
Unquoted equity shares		
Investments in TVS Supply Chain Solutions De Mexico	0.09	0.09
9 Fixed & 20,000 Variable (31 March 2023 : 9 Fixed & 20,000 Variable) equity shares of MXN 1,000 each fully paid up		
Aggregate value of unquoted investment	**0.09**	**0.09**

Pursuant to detailed impairment assessment carried out by the management based on future forecasts approved by the board, the carrying value of the investment in the subsidiary is not impaired and hence no impairment provision is made in the books as on reporting date.

17 Inventories

Inventories	**31 March 2024**	**31 March 2023**
Stock in trade (Includes in Transit of $0.18 (31 March 2023 - $0.09))	1.18	1.00
Stores and spares	-	-
	1.18	**1.00**
Of the above, goods in transit	0.18	0.09

18 Trade receivables

Trade receivables	**31 March 2024**	**31 March 2023**
Gross trade receivables		
Unsecured, considered good from intercompanies	0.01	-
Unsecured, considered good from others	0.73	0.31
Trade Receivables which have significant increase in credit Risk	-	0.01
	0.74	0.32
Loss allowance		
Unsecured, considered good	-	(0.01)
	-	(0.01)
Net trade receivables	**0.74**	**0.31**

31 March 2024	**Not due**	**< 6 months**	**6 months to 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Unsecured, considered good							
Undisputed, external	0.72	0.01	-	-	-	-	**0.73**
Intercompany	0.01	-	-	-	-	-	**0.01**
	0.73	**0.01**	-	-	-	-	**0.74**
Trade Receivables which have significant increase in credit Risk							
Undisputed, external	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	**0.73**	**0.01**	-	-	-	-	**0.74**

31 March 2023	**Not due**	**< 6 months**	**6 months to 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Unsecured, considered good							
Undisputed, external	0.23	0.08	-	-	-	-	**0.31**
Intercompany	-	-	-	-	-	-	-
	0.23	**0.08**	-	-	-	-	**0.31**
Trade Receivables which have significant increase in credit Risk							
Undisputed, external	-	-	-	0.01	-	-	**0.01**
	-	-	-	**0.01**	-	-	**0.01**
Total	**0.23**	**0.08**	-	**0.01**	-	-	**0.32**

Of the above, trade receivables from related parties are as below :	**31 March 2024**	**31 March 2023**
Trade receivables	0.01	-
Loss allowance		
Net trade receivables	**0.01**	-

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19	Loans	31 March 2024	31 March 2023
	Loan to related parties		
	Unsecured, considered good	0.08	0.50
		0.08	**0.50**

20	Deposits and other receivables	Current	
		31 March 2024	**31 March 2023**
	Security deposits		
	Unsecured considered good	0.02	0.01
		0.02	**0.01**
	Other receivables		
	Receivable from group companies	0.43	2.53
		0.45	**2.54**

21	Other financial assets	Current	
		31 March 2024	**31 March 2023**
	Advances recoverable in cash or kind		
	Unsecured considered good	0.01	-
	Unbilled Revenue	0.01	0.11
		0.02	**0.11**

22	Tax assets net	Non-current		Current	
		31 March 2024	**31 March 2023**	**31 March 2024**	**31 March 2023**
	Tax assets				
	Advance tax	0.06	0.17	-	-
		0.06	**0.17**	**-**	**-**

23	Cash and cash equivalents	31 March 2024	31 March 2023
	Balance with banks		
	On current accounts	0.57	0.73
		0.57	**0.73**
		0.57	**0.73**

24	Other bank balances	31 March 2024	31 March 2023
	Deposits with original maturity of more than three months less than 12 months	-	0.10
		-	**0.10**

* Bank of America Inc on March 20, 2023 issued an irrevocable standby letter of credit for $0.1 crores in relation to a lease agreement on behalf of the Company pursuant to which a security deposit amounting to $0.1 crores was irrecoverably and unconditionally assigned/pledging to Bank of America Inc.

25	Other current assets	31 March 2024	31 March 2023
	Prepayment	0.05	0.04
	Other current assets	0.02	-
		0.07	**0.04**

(All amounts are in USD ($) crores except share data and otherwise stated)

26A Share capital

	31 March 2024	31 March 2023
Authorised share capital*		
30,000 (31 March 2023: 30,000) Common stock of USD 1 each	-	-
	-	-
Issued, subscribed and paid up**		
3,209.50 (31 March 2023: 3,209.50) Common stock of USD 1 each	-	-
	-	-

*As at March 31, 2023 and March 31, 2024, authorised equity share capital stood at $ 30,000/- There were no changes during the years ended March 31, 2023 and March 31, 2024.

**As at March 31, 2023 and March 31, 2024, Issued, subscribed and paid up equity share capital stood at $ 3209.50/- There were no changes during the years ended March 31, 2023 and March 31, 2024.

a. Reconciliation of shares outstanding at the beginning and at end of the reporting year

	31 March 2024		31 March 2023	
	Nos	in LC	Nos	in LC
Equity shares				
At the beginning of the year	3,209.50	-	3,209.50	-
Movements during the year	-	-	-	-
Outstanding at the end of the year	**3,209.50**	**-**	**3,209.50**	**-**

b. Terms/rights attached to equity shares

The Company has one class of equity shares having face value of USD 1 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company	31 March 2024		31 March 2023	
	Number of shares	% holding	Number of shares	% holding
Equity shares of USD 100 each, fully paid up				
TVS Logistics Investments USA, Inc.	3,209.50	100%	3,209.50	100%

26B Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

	31 March 2024	31 March 2023
Total current and non-current borrowings	-	2.80
Debt	**-**	**2.80**
Total equity	2.57	1.82
Debt to equity ratio	**-**	**1.54**

26C Earnings per share

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows

(i) Profit (loss) attributable to equity shareholders	31 March 2024	31 March 2023
Profit (loss) for the year, attributable to equity shareholders	0.25	0.11

(ii) Weighted average number of equity shares	31 March 2024	31 March 2023
Weighted average number of equity shares outstanding during the year	3,209.50	3,209.50
Weighted average number of equity shares	**3,209.50**	**3,209.50**

(iii) Basic and diluted earnings per share (USD)	**778.94**	**342.73**

TVS Supply Chain Solutions North America, Inc.
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(All amounts are in USD ($) crores except share data and otherwise stated)

27 Borrowings

	31 March 2024	31 March 2023
(a) Current borrowings		
Loan from related parites		
Interest charged loan from related parties	-	2.80
	-	**2.80**

A. Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

		Currency	Nominal Interest rate	Carrying amount as at	
				31 March 2024	31 March 2023
Unsecured loans repayable on demand (Including intercompany)					
TVS Logistics Investment ,UK	Advance	USD	7.31%	-	0.71
TVS Logistics Investment ,UK	Advance	GBP	7.31%	-	0.59
TVS Logistics Investment ,UK	Term Loan	USD	7.31%	-	1.50
				-	**2.80**

B. Details of unsecured loans

Loans repayable on demand from related parties

Unsecured term loan from fellow subsidiary

In August 2017, the Company entered into an agreement with TVS Logistics Investment UK Limited for securing loan up-to $ 10,000,000 for working capital purposes. The Company has drawn down an amount of $7,080,000 as at March 31, 2023. The loan has been repaid during the year.

During 2021, the Company entered into an agreement with TVS Supply Chain Solutions UK Limited for securing loan up-to £ 5,799,478 for working capital purposes. The Company has drawn down an amount of £4,799,479 as at March 31, 2023 $ 5,921,117. The loan has been repaid during the year.

During 2017, the Company entered into an agreement with TVS Logistics Investment UK Limited for securing a loan which has a closing balance of $14,991,434 as on March 31, 2023. The loan has been repaid during the year.

28 Provisions

	Current	
	31 March 2024	31 March 2023
Provisions for employee benefits		
Liability for compensated absences	0.08	0.09
	0.08	**0.09**

(All amounts are in USD ($) crores except share data and otherwise stated)

29 Trade payables

	31 March 2024	31 March 2023
Trade and other payables to intercompany	0.30	0.28
Other trade payables - services	0.69	0.78
Other trade payables - goods	0.33	0.18
	1.32	**1.24**

31 March 2024	Unbilled Dues	Not due	< 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - MSME							-
Undisputed dues - Others*	0.36	0.48	0.18	-	-		**1.02**
Intercompany	-	0.03	-	0.04	0.06	0.17	**0.30**
	0.36	**0.51**	**0.18**	**0.04**	**0.06**	**0.17**	**1.32**

31 March 2023	Unbilled Dues	Not due	< 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - MSME							-
Undisputed dues - Others*	0.28	0.30	0.38	-	-	-	**0.96**
Intercompany	-	-	0.05	0.06	0.17		**0.28**
	0.28	**0.30**	**0.43**	**0.06**	**0.17**	-	**1.24**

30 Other financial liabilities

	31 March 2024	31 March 2023
Amount due to employees	0.17	0.17
Interest accrued and due on borrowings	-	0.08
Capital creditors	0.01	0.03
Payable to group companies	0.16	0.40
	0.34	**0.68**

31 Other non current liabilities

	31 March 2024	31 March 2023
Unbilled rental payables	-	-
Deferred revenue	0.02	0.01
	0.02	**0.01**

32 Other current liabilities

	31 March 2024	31 March 2023
Statutory dues	0.01	0.01
	0.01	**0.01**

(All amounts are in Dollars (USD) in crores except share data and otherwise stated)

33 Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"

A Disaggregation of revenue

Segment	31 March 2024			31 March 2023		
	USA	Outside USA	Total	USA	Outside USA	Total
Type of goods or service						
Revenue from supply chain management services	9.39	0.08	9.47	8.40	0.08	8.48
Total revenue from contracts with customers	**9.39**	**0.08**	**9.47**	**8.40**	**0.08**	**8.48**

Revenues from external customers in respect of each category of services rendered by the Company are as follows:

Revenue	31 March 2024	31 March 2023
Finished Goods/Warehouse	5.18	4.34
In-Plant Warehousing	-	-
Transportation and Integrated Logistics	4.29	4.14
	9.47	**8.48**

B Summary of contract balances

Particulars	31 March 2024	31 March 2023
Trade Receivables	0.74	0.31
Contract Assets	0.01	0.11

C Reconciliation of revenue from sale of products/services with the contracted price

Particulars	31 March 2024	31 March 2023
Revenue as per contracted price	9.47	8.48
Less: Trade discounts, volume rebates etc.	-	-
Revenue as per statement of profit and loss	9.47	8.48

34 Transfer pricing

The Company and its subsidiaries each have international and domestic transactions with related parties. The management confirms that it maintains documents as prescribed by the respective laws and regulations of the various jurisdictions in which the Company operates to prove that the international and domestic transactions are at arm’s length and the aforesaid laws and regulations will not have any impact on the standalone financial statements, particularly on the amount of tax expense and that of provision for taxation upto and for the year ended March 31, 2024.

(All amounts are in USD ($) crores except share data and otherwise stated)

35 Related Party disclosures

A. Enterprise having significant influence	TVS Mobility Private Limited
B. Ultimate holding company	TVS Supply Chain Solutions Limited
C. Holding Company	TVS Logistics Investments USA, Inc.
D. Subsidiaries	TVS Supply Chain Solutions De Mexico S.A de C.V., Mexico TVS Transport Solutions, LLC. TVS Packaging Solutions Inc. US
E. Fellow subsidiaries	TVS Supply Chain Solutions Limited, UK TVS SCS Global Freight Solutions Ltd. (Formerly known as TVS Dynamic Global Rico Logistics Limited, UK TVS Logistics Investment UK Limited TVS SCS Taiwan Ltd TVS SCS Logistics Ltd TVS Supply Chain Solutions Pte. Ltd. SPC International Inc.
F. Key management personnel	

ii. Transactions during the year :	31 March 2024	31 March 2023
Interest income		
TVS Logistics Investments USA, Inc.	0.06	0.14
Purchase of stock in trade		
TVS SCS Logistics Ltd	0.03	0.06
TVS SCS Taiwan Ltd	0.01	-
Expenses incurred on behalf of		
TVS Supply Chain Solutions Limited	0.02	0.01
SPC International Inc.	0.02	-
Management fee & Other expense		
TVS Supply Chain Solutions Limited - Management Fees	0.06	0.05
TVS Supply Chain Solutions Limited - Casual labour	0.01	-
TVS Supply Chain Solutions Limited - Share-based payments	-	0.02
Interest Expense		
TVS Logistics Investments UK, Limited - Interest Expense	0.10	0.19

(All amounts are in USD ($) crores except share data and otherwise stated)

35 Related Party disclosures (continued)

Year end balances:	31 March 2024	31 March 2023
Trade Receivables		
TVS SCS Global Freight Solutions Limited	0.01	-
Loans receivable from		
TVS Logistics Investments USA Inc., USA	-	0.47
TVS Supply Chain Solutions de Mexico, S.A. de C.V.	0.03	0.03
Other Receivable		
TVS Logistics Investments USA Inc., USA	0.40	2.52
TVS Supply Chain Solutions Limited	0.03	0.01
TVS Transport Solutions, LLC	0.05	-
Interest payable		
TVS Logistics Investment UK Limited	-	0.08
Trade Payable		
TVS Supply Chain Solutions Limited	0.27	0.27
TVS SCS Logistics Ltd	0.01	0.01
TVS SCS Taiwan Ltd	0.01	-
TVS Supply Chain Solutions Pte. Ltd	0.01	-
Loans payable to		
TVS Logistics Investments UK, Limited	-	2.80
Other Payable		
TVS Logistics Investments UK, Limited - Fees	0.09	0.36
TVS Logistics Investments USA	0.04	0.04
TVS Supply Chain Solutions Pte. Ltd.	0.03	-

(All amounts are in USD ($) crores except share data and otherwise stated)

36 Financial instruments - Fair values and risk management

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories were as follows:

		Carrying amount					
	Note	**31 March 2024**			**31 March 2023**		
		FVTPL	**FVTOCI**	**Amortised cost**	**FVTPL**	**FVTOCI**	**Amortised cost**
Financial assets not measured at fair value							
Loans	**19**	-	-	0.08	-	-	0.50
Deposits and other receivables	**20**	-	-	0.45	-	-	2.54
Trade receivables	**18**	-	-	0.74	-	-	0.31
Cash and cash equivalents	**23**	-	-	0.57	-	-	0.73
Other bank balances	**24**	-	-	-	-	-	0.10
Other financial assets	**21**	-	-	0.02	-	-	0.11
Total		**-**	**-**	**1.86**	**-**	**-**	**4.29**
Financial liabilities not measured at fair value							
Borrowings	**27**	-	-	-	-	-	2.80
Lease liability	**15**	-	-	1.75	-	-	1.38
Trade payables	**29**	-	-	1.32	-	-	1.24
Other financial liabilities	**30**	-	-	0.34	-	-	0.68
Total		**-**	**-**	**3.41**	**-**	**-**	**6.10**

The Company has not disclosed fair values of other financial instruments such as investments, deposits and other receivables, trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables, other financial liabilities because their carrying amounts are reasonable approximations of their fair values. The Company has also not disclosed fair values of investments carried at cost.

36 Financial instruments - Fair values and risk management (continued)

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Company’s board of directors has overall responsibility for the establishment and oversight of the Company’s risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Company’s risk management policies.

The Company’s risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company’s activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company’s trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for financial assets are as follows:

	Carrying amount	
	31 March 2024	**31 March 2023**
Trade receivables	0.74	0.31
Cash and cash equivalents	0.57	0.73
Other bank balances	-	0.10
Loans	0.08	0.50
Deposits and other receivables	0.45	2.54
Other financial assets	0.02	0.11
Total	**1.86**	**4.29**

Trade and other receivables

The Company’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. The impairment loss at the reporting dates relates to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available information about customers from internal/external sources. The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.

Cash and cash equivalents and other bank balances

The Company holds cash and bank balances of $ 0.57 crores as at 31 March 2024 (31 March 2023: $ 0.83 crores). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables, Investments and other financial assets

The Company holds deposits and other receivables, investments and other financial assets of $ 0.55 crores as at 31 March 2024 (31 March 2023: $3.15 crores). The credit worthiness of such parties are evaluated by the management on an ongoing basis and is considered to be good.

(All amounts are in USD ($) crores except share data and otherwise stated)

36 Financial instruments - Fair values and risk management (continued)

B. Financial risk management (continued)

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

		Contractual cash flows			
	Carrying amount	**Total**	**1 year or less**	**1-5 years**	**More than 5 years**
31 March 2024					
Non derivative financial liabilities					
Current and non-current borrowings					
Unsecured loans repayable on demand	-	-	-	-	-
Others					
Trade payables	1.32	1.32	1.32	-	-
Lease liability	1.75	2.04	0.46	1.47	0.11
Other financial liabilities	0.34	0.34	0.34	-	-
	3.41	**3.70**	**2.12**	**1.47**	**0.11**

		Contractual cash flows			
	Carrying amount	**Total**	**1 year or less**	**1-5 years**	**More than 5 years**
31 March 2023					
Non derivative financial liabilities					
Current and non-current borrowings					
Unsecured loans repayable on demand	2.80	2.80	2.80	-	-
Others					
Trade payables	1.24	1.24	1.24	-	-
Lease liability	1.38	1.55	0.29	1.26	-
Other financial liabilities	0.68	0.68	0.68	-	-
	6.10	**6.27**	**5.01**	**1.26**	**-**

(All amounts are in USD ($) crores except share data and otherwise stated)

36 Financial instruments - Fair values and risk management (continued)

B. Financial risk management (continued)

iv. Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and equity prices will affect the Company and the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk
Foreign exchange risk arises from a change in foreign currency exchange rate, which is expected to have an adverse effect on the Company in the current reporting period and in future years. Fluctuations in the exchange rate between the functional currencies and US Dollar will therefore have an impact on the Company. It is the Company's policy not to hedge exposures arising from such translations.

Exposure to currency risk
The following table analyzes foreign currency risk from financial instruments as of 31 March 2024

	Profit or (loss)		Equity, net of tax	
	Weakening	**Strengthening**	**Weakening**	**Strengthening**
31 March 2024				
Great Britain pound (1% movement)	-	-	-	-
31 March 2023				
Great Britain pound (1% movement)	0.01	(0.01)	-	-

Exposure to interest rate risk
The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	31 March 2024	**31 March 2023**
Fixed rate instruments		
Financial assets		
- Loans	0.08	0.50
- Deposits with banks	-	0.10
Financial liabilities		
- Loans repayable on demand	-	2.80

iv. Market risk (continued)

Interest rate risk (continued)

Fair value sensitivity analysis for fixed rate instruments
A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (deposits with banks) are carried at amortised cost, any changes in interest rates are not considered for subsequent measurement.

37 Capital commitments and contingent liabilities

As of March 31, 2024 and 2023, the Company did not have outstanding capital commitments or contingent liabilities, respectively.

Other matters

The Company is part of an ongoing litigation with few of its employees and believes that the liability accrued in the books fairly represents the amounts payable, if any, to these employees and believes no further adjustments are considered necessary to these financial statements.

38 Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of these standalone financial statements.

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : May 23, 2024

for and on behalf of the board of directors of
TVS SCS North America.Inc

Arthur Hovater
Director
Place :
Date : May 23, 2024

Ravi Viswanathan
Director
Place :
Date : May 23, 2024

Peter Thomas & Co (Refurbishing) Limited

FY 2023-24

PETER THOMAS & CO (REFURBISHING) LIMITED
Logistics House
Buckshaw Avenue
Chorley
Lancashire
PR6 7AJ

Dear Sirs,

Audit exemption certificate – Peter Thomas & Co (Refurbishing) Limited

The above named company has claimed exemption from audit under S.479A of the Companies Act 2006. The company's exemption from audit is condition upon compliance with the following conditions:

- All members of the company must agree to the exemption in respect of the financial year in question in accordance with S.476
- The parent undertaking gives a guarantee under section 479C in respect of that year
- The company's results must be included in the consolidated accounts drawn up for that year by the parent undertaking
- The parent undertaking must disclose in the notes to the consolidated accounts that the company is exempt from the requirements of the Act relating to the audit of individual accounts by virtue of this section, and
- The directors of the company must deliver to the registrar on or before the date that they file the accounts for that year –
    - A written note of the agreement referred to in subsection (2)(a),
    - The statement referred to in section 479C(1)
    - A copy of the consolidated accounts referred to in subsection (2)(c),
    - A copy of the auditor's report on those accounts, and
    - A copy of the consolidated annual report drawn up by the parent undertaking.

The above conditions were met for the year ended 31 March 2024 and the appropriate documents were delivered to the register to support the claim for audit exemption

Yours faithfully,

James Spencer

Group Finance Controller

Statement of Comprehensive Income
for the year ended 31 March 2024

	Note	**2024**	2023
		£	£
Revenue	*2*	**5,432,643**	4,219,666
Cost of sales		**(1,879,563)**	(1,218,432)
Gross profit		**3,553,080**	3,001,234
Distribution costs		**(1,702,520)**	(1,338,665)
Administrative expenses		**(1,024,079)**	(1,058,775)
Operating profit/ (loss)		**826,481**	603,794
Interest receivable and similar income		**-**	-
Interest payable	*3*	**(118,151)**	(17,176)
Profit/ (Loss) before taxation	*3*	**708,330**	586,618
Tax credit / (charge) on Loss before taxation	*6*	**(99,248)**	(111,457)
Profit and total comprehensive income for the financial year		**609,082**	475,161

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

Statement of Financial Position

At 31 March 2024

	Note	**2024**	**2024**	2023	2023
		£	**£**	£	£
Fixed assets					
Tangible assets	*7*	**405,401**		394,907	
Right of use assets	*8*	**1,248,185**		270,063	
			1,653,586		664,970
Current assets					
Stocks	*9*	**513,685**		376,042	
Debtors	*10*	**1,416,900**		633,465	
Cash at bank and in hand		**534,397**		18,152	
		2,464,982		1,027,659	
Creditors: amounts falling due within one year	*11*	**(2,368,732)**		(1,555,736)	
Net current assets/(liabilities)			**96,250**		(528,077)
Total assets less current liabilities			**1,794,836**		136,893
Creditors: amounts falling due after more than one year	*11*		**(910,859)**		-
Provisions for liabilities	*12*		**(189,037)**		(96,035)
Net (liabilities)			**649,940**		40,858
Capital and reserves					
Called up share capital	*13*		**100**		100
Profit and loss account			**649,840**		40,758
Total equity			**649,940**		40,848

For the financial year ended 31 March 2024 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The member has not required the Company to obtain an audit of its financial statements for the period in question in accordance with section 476.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of Directors and authorised for issue on 28 June 2024 and were signed on its behalf by

P J Roberts
Director

Company registered number: 0**Error! No text of specified style in document.**

Statement of Changes in Equity

for the year ended 31 March 2024

	Share Capital £	Profit & Loss £	Total £
Balance at 1 April 2022	100	(434,401)	(434,301)
Profit for the year	-	475,161	475,161
Total Comprehensive Income for the year	-	475,161	475,161
Balance at 31 March 2023 and 1 April 2023	**100**	**40,758**	**40,858**
Profit for the year	-	609,082	609,082
Total Comprehensive Income for the year	-	609,082	609,082
Balance at 31 March 2024	**100**	**649,840**	**649,940**

Notes to the Financial Statements

1 Accounting policies

Peter Thomas & Co (Refurbishing) Limited (the "Company") is a private company incorporated, domiciled and registered in England and Wales. The registered number is 07534892 and the registered address is Logistics House, Buckshaw Avenue, Chorley, Lancashire, PR6 7AJ. The trading address is Unit 6, Broughton Business Park, Olivers Place, Fulwood, Preston, PR2 9WT.

These financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The presentation currency of these financial statements is sterling. All monetary amounts in the financial statements have been rounded to the nearest £1.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards in conformity with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 17.

The Company's ultimate parent undertaking, TVS Supply Chain Solutions Limited, incorporated in India, includes the Company in its consolidated financial statements. The consolidated financial statements of TVS Supply Chain Solutions Limited, incorporated in India, are prepared in accordance with Indian Accounting Standards ("Ind-AS") and are available to the public from the Ministry of Corporate Affairs, India.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Certain disclosures regarding revenue;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the Company

As the consolidated financial statements of TVS Supply Chain Solutions Limited, incorporated in India, include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement*
- Disclosures required by IFRS 7 *Financial Instrument Disclosures*

The Company proposes to continue to adopt the reduced disclosure framework of FRS101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated been applied consistently to all periods presented in these financial statements.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Measurement convention

The financial statements are prepared on the historical cost basis.

Going concern

The Directors have prepared forecasts and budgets for 2023/24 and beyond which demonstrate that the business will be able to continue for the foreseeable future. Further to this, the Company has the support from its Parent, TVS Supply Chain Solutions Limited.

On this basis the Directors have concluded that adopting the going concern basis of accounting in preparing the financial statements is appropriate.

Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

Trade receivables, loans and other receivables that have fixed or determinable payments, and which are not quoted in an active market, are classified as ‘loans and receivables’. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses (“ECL’s”).

Financial assets are assessed for indicators of credit losses at each reporting date. A financial asset is ‘credit impaired’ where there is objective evidence that, as a result of one of more events that occurred after initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

ECL’s are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company’s historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Financial assets are derecognised only when the contractual rights to cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Financial liabilities

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and

(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Basic financial liabilities, including trade, and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measure at amortised cost using the effective interest method, Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charged.

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

Tangible fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight line basis over its expected useful life, as follows:

Plant and machinery	-	3 to 4 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The Right of use asset is initially measured based on 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 assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option.

In addition, the Right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Incremental borrowing rate is considered to be as follows based on the Company's current access to borrowing:

- All leases that are less than 5 years – 4.5% discount rate
- All leases that are more than 5 years – 7% discount rate

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected to apply the practical expedient not to recognise 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 lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Research and development expenditure

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition.

Provisions are made against stockholdings which are excessive in relation to recent demand.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Impairment of non-financial assets excluding stocks and deferred tax assets

The carrying amounts of the Company's non-financial assets, other than stocks, 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 value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

In respect of other assets, impairment losses recognised 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, net of depreciation or amortisation, if no impairment loss had been recognised.

Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees

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 recognised 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.

Provisions

Provisions are recognised in the balance sheet when the Company has a present legal or constructive obligation at the reporting date as a result of a past event that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Revenue

Revenue is recognised at the fair value of the consideration received or receivable for sale of goods and services to external customers in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Revenue is shown net of Value Added Tax. Revenue is recognised once goods have been despatched or services provided and is representative of the Company fulfilling its contractual performance obligations with regards to activities performed under each contractual arrangement.

Contracts contain various performance obligations, for which each distinctive performance obligation is separately identified. At inception, consideration is assigned to each performance obligation on the basis of the stand-alone selling price. Contracts include both variable and fixed consideration which the Company invoices on a monthly basis after assessing the delivery of each performance obligation. Any contingent consideration is recognised when it is highly probably the Company will receive the consideration and the value can be reliably measured.

Expenses

Operating lease payments

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives received are recognised in the profit and loss account as an integral part of the total lease expense.

Interest receivable and Interest payable

Interest payable and similar expenses include interest payable and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Dividends

Dividends are recognised as liabilities once they are no longer at the discretion of the Company.

Notes to the financial statements *(continued)*

2 Analysis of Revenue

	2024	2023
	£	£
Rendering of services	**5,432,643**	4,219,666
	5,432,643	4,219,666

All revenue is derived in the United Kingdom.

3 Expenses

	2024	2023
	£	£
Included in profit/loss are the following:		
Depreciation and other amounts written off owned tangible fixed assets (note 7)	**184,079**	201,370
Depreciation and other amounts written off right of use assets (note 8)	**318,686**	270,073
(Gain)/Loss on termination of lease	**-**	-

	2024	2023
	£	£
Included in interest payable are the following:		
Interest charged under IFRS16 (note 8)	**118,151**	17,176
	118,151	17,176

4 Remuneration of Directors

	2024	2023
	£	£
Directors' emoluments	**-**	-
Company contributions to money purchase pension schemes	**-**	-

	Number of Directors	
	2024	2023
Retirement benefits are accruing to the following number of Directors under:		
Money purchase schemes	**-**	-

Certain directors who served during the year are also directors of the Parent Company or a fellow Group Company and are remunerated by those companies. Although they do receive remuneration in respect of their services to various Group companies, including this Company, it is not practicable to allocate their remuneration to individual companies in the Group. Therefore, their remuneration has been disclosed in the accounts of the relevant company from which remuneration is received.

Notes to the financial statements *(continued)*

5 Wages and staff numbers

The average number of persons employed by the Company (including Directors) during the year was 32 (2023: 27)
The aggregate payroll costs of these persons were as follows:

	2024	2023
	£	£
Wages and salaries	**1,591,690**	1,277,231
Social security costs	**82,816**	56,933
Other pension costs	**28,014**	11,748
	1,702,520	1,354,912

6 Taxation

Analysis of charge in period

	2024	**2024**	2023	2023
	£	**£**	£	£
UK corporation tax				
Current tax on income for the period	**177,083**		111,457	
Adjustments in respect of prior periods	**(150,966)**		-	
Total current tax (credit)		**26,117**		111,457
Deferred tax (see note 12)				
Origination/reversal of timing differences	**73,131**		-	
Total deferred tax		**73,131**		-
Tax on profit on ordinary activities		**99,248**		111,457

	2024	2023
	£	£
Current tax reconciliation		
Profit/(loss) on ordinary activities before tax	**708,330**	586,618
Current tax at 25% (2023: 19%)	**177,083**	111,457
Effects of:		
Group relief claimed for £nil payment	**-**	-
Adjustments to tax charge in respect of previous periods	**-**	-
Other timing differences	**-**	-
Total tax (credit)	**177,083**	111,457

Factors affecting future tax changes

The Finance Bill 2021 set the rate of Corporation tax to stay at 19% from 1 April 2022 to 31 March 2023, with an increase to 25% from April 2023. The deferred tax liability at 31 March 2024 has been calculated at the increased rate of 25%.

Notes to the financial statements *(continued)*

7 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 April 2023	909,908
Additions	194,573
Disposals	-
At 31 March 2024	**1,104,481**
Accumulated depreciation	
At 1 April 2023	515,001
Charge for the year	184,079
Disposals	-
At 31 March 2024	**699,080**
Net book value	
At 31 March 2024	**405,401**
At 31 March 2023	394,907

Notes to the financial statements *(continued)*

8 Right of use assets

The Company has lease contracts for Land & Building used in its operations. Leases of Land & Building generally have lease terms between 3 and 15 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios.

The Company also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of Right of use assets recognised and the movements during the period:

	Land & buildings £
Cost	
At 1 April 2023	810,203
Modification	756,668
Disposals	-
At 31 March 2024	**1,566,871**
Accumulated depreciation	
At 1 April 2023	540,140
Charge for the year	318,686
Modification	(540,140)
Disposals	-
At 31 March 2024	**318,686**
Net book value	
At 31 March 2024	**1,248,185**
At 31 March 2023	270,063

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and Borrowings) and the movements during the period:

	2024 £	2023 £
Balance at the beginning of the year	**210,590**	480,566
Modification	**1,259,845**	-
Interest charge for the year	**118,151**	17,176
Payments made during the year	**(385,744)**	(287,152)
Reversals	-	-
Balance at the end of the year	**1,202,842**	210,590
Current	**291,983**	210,590
Non-Current	**910,859**	-

Notes to the financial statements *(continued)*

8 Right of use assets *(continued)*

The following are the amounts recognised in profit or loss:

	2024	2023
	£	£
Depreciation expense of Right of use assets	**318,686**	270,073
Interest charged under IFRS16	**118,151**	17,176
Total amount recognised in the profit or loss	**436,837**	287,249

Due to the nature of the leases, there is potential that the Company has lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (see Note 17).

Set out below are the undiscounted potential future rental payments:

	2024	2023
	£	£
Within 1 year	**385,743**	215,364
Within 2 – 5 years	**1,028,648**	-
More than 5 years	**-**	-
Total payments	**1,414,391**	215,364

9 Stocks

	2024	2023
	£	£
Finished goods and goods for resale	**513,685**	376,042
	513,685	376,042

No stock impairment *(2023: £nil)* has been made for slow moving stock through the Statement of Comprehensive Income.

10 Debtors

	2024	2023
	£	£
Trade debtors	**1,045,976**	323,763
Amounts owed by group undertakings	**-**	-
Prepayments and accrued income	**370,504**	309,702
Other debtors	**420**	-
	1,416,900	633,465

Notes to the financial statements *(continued)*

11 Creditors

	2024	2023
	£	£
Trade creditors	**547,658**	295,923
Amounts owed to group undertakings (note 15)	**1,005,641**	487,475
Other taxes and social security	**152,595**	47,193
Corporation tax	-	150,966
Accruals and deferred income	**370,855**	363,589
IFRS 16 Lease liability	**1,202,842**	210,590
Total creditors	**3,279,591**	1,555,736
Current	**2,368,732**	1,555,736
Non-current	**910,859**	-

12 Provisions for liabilities

	Dilapidations provision	**Deferred Taxation**	**Total**
	£	**£**	**£**
At 31 March 2023	90,492	5,543	96,035
Profit and loss movement	19,871	73,131	93,002
At 31 March 2024	**110,363**	**78,674**	**189,037**

Dilapidation provision comprises of provisions for dilapidations at facilities sites with operating lease holdings. These provisions are expected to be utilised at the end of the leases.

The elements of deferred taxation are as follows:

	2024	2023
	£	£
Difference between accumulated depreciation and amortisation and capital allowances	**5,543**	5,543
Deferred tax liability	**5,543**	5,543

Movement in deferred tax during the year

	1 April 2023	**Recognised in income**	**31 March 2024**
	£	**£**	**£**
Difference between accumulated depreciation and amortisation and capital allowances	5,543	73,131	**78,674**
	5,543	73,131	**78,674**

Movement in deferred tax during the prior year

	1 April 2022	**Recognised in income**	**31 March 2023**
	£	**£**	**£**
Difference between accumulated depreciation and amortisation and capital allowances	5,543	-	5,543
	5,543	-	5,543

Notes to the financial statements *(continued)*

13 Share capital and reserves

	2024	2023
	£	£
Allotted, called up and fully paid		
250 Ordinary 'A' shares of £0.10 each	**25**	25
750 Ordinary 'B' shares of £0.10 each	**75**	75
	100	100

Reserves of the Company represent retained earnings, being cumulative profit and loss net of distributions to owners.

14 Pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the Company to the scheme and amounted to £28,014 *(2023: £11,745)*.

There were outstanding contributions at the end of the year of £26,918 *(2023: £nil)*.

15 Related party disclosures

The following transactions and balances with related parties arose during the year and were outstanding at the year-end:

TVS Supply Chain Solutions Limited

TVS Supply Chain Solutions Limited is the immediate parent company.

	2024	2023
	£	£
Amounts outstanding at 1 April		
Due to TVS Supply Chain Solutions Limited	**(487,475)**	(1,089,011)
Transactions arising during the year:		
Refurbishing services and inventory charged to TVS Supply Chain Solutions Limited	**2,436,886**	2,488,997
Inventory purchased by the company from TVS Supply Chain Solutions Limited	**-**	-
Amounts received from TVS Supply Chain Solutions Limited	**(2,774,160)**	(1,887,461)
Amounts outstanding at 31 March		
Due to TVS Supply Chain Solutions Limited	**(824,749)**	(487,475)

16 Dividends

	2024	2023
	£	£
Interim dividends paid	**-**	-

Dividends of £nil per £0.01 Ordinary share *(2023: £nil per £0.01 Ordinary share)* were paid during the year.

Notes to the financial statements *(continued)*

17 Accounting estimates and judgements

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed.

The Company evaluates the collectability of trade debtors and records provisions for doubtful debts based on experience including comparisons of the relative age of accounts and consideration of actual write-off history. The actual level of debt collected may differ from the estimated levels of recovery and could impact future operating results positively or negatively.

The Company's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the total tax charge necessarily involves a degree of estimation and judgement in respect of certain items. The final outcome of some of these items may give rise to material profit and loss and/or cash flow variances.

A provision has been made for dilapidations. This provision is an estimate, and the actual cost and timing of future cash flows are dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period when such determination is made.

The Company cannot readily determine the interest rate implicit in finance leases under IFRS16 as the mechanism differs to the traditional purchase of an asset whereby the Company would borrow funds at a determined rate. Therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The IBR therefore reflects the historic and current borrowing rates of the Group. The Group use TVS Logistics Investments UK Limited to fund the Group's cash requirements. The borrowing rates incurred by TVS Logistics Investments UK Limited have therefore been used unilaterally across the Group.

Changes to lease payments have been estimated where there is a percentage increase in the lease contracts. A best estimate is used for inflation based on historic trends in RPI. When actual lease payments are finalised the lease liability and ROU will be remeasured.

18 Ultimate parent company and ultimate controlling party

The Company is a subsidiary undertaking of TVS Supply Chain Solutions Limited, incorporated in India, which is the ultimate parent company and ultimate controlling party.

The Company is controlled by TVS Supply Chain Solutions Limited, the immediate parent company. The largest group in which the results of the Company are consolidated is that headed by TVS Supply Chain Solutions Limited, incorporated in India. The consolidated financial statements of this group are available to the public from the Ministry of Corporate Affairs, India. The smallest group in which they are consolidated is that headed by TVS Logistics Investment UK Limited, incorporated in England and Wales. The consolidated financial statements of this group are available to the public and may be obtained from Companies House, Crown Way, Cardiff.

TVS Autoserv Gmbh

FY 2023-24

DIETER WILKE
STEUERBERATER

MATTHIAS WILKE
STEUERBERATER
Dipl.-Betriebswirt (BA)

Steuerberatungssozietät

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TVS Autoserv GmbH
Management
Holger Mohr
Im Rollfeld 30
76532 Baden-Baden

Rastatt, June 20, 2024

Dear Mr. Mohr,

in my capacity as a tax consultant, i would like to inform you that we have carried out a threshold audit in accordance with § 267 (1) of the German Commercial Code (HGB) as part of our assignment to prepare the annual financial statements of TVS Autoserv GmbH.

I hereby confirm that the annual financial statements as of March 31,2024, one of the three threshold values pursuant to § 267 (1) HGB are exceeded.
(TVS Autoserv GmbH had in the financial year April 01, 2023 to March 31, 2024 an average of 54 employees.)

The thresholds are:

7,5 million balance sheet total

15 million sales revenue of the company

50 employees as an annual average

However, there is no obligation to appoint an auditor to certify the aforementioned annual financial statements for the following reasons.

The legal consequences of the characteristics set out in paragraphs 1 to 3 sentences 1 of Section 267 of the German Commercial Code (HGB) only arise if they are exceeded or fallen short of on the reporting dates of two concecutive financial years.

The German Federal Government raised the thresholds of Section 267 HGB on March 22, 2024. This applies to all financial years beginning after December 31, 2023.
However, an option was also granted for financial years beginning after December 31, 2022.

As long as the new size categories are not exceeded in 2 out of 3 cases in 2 consecutive years, no auditor will be required for an additional audit in the future.

With kind regards

Matthias Wilke
Tax consultant

TVS Autoserv GmbH
Im Rollfeld 30
76532 Baden-Baden

Balance sheet as of March 31, 2024

Assets

	03/31/2024 EUR	03/31/2024 EUR	03/31/2023 EUR
A. Fixed assets			
I. Intangible Assets			
1. Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets	26,801.00		29,732.00
Intangible assets		**26,801.00**	**29,732.00**
II. Tangible assets			
1. Other equipment, factory and office equipment	474,421.00		262,133.00
Tangible assets		**474,421.00**	**262,133.00**
Fixed assets		**501,222.00**	**291,865.00**
B. Current assets			
I. Inventories			
1. Finished goods and merchandise	2,589,677.55		2,654,498.78
2. Payments on account	13,150.00		30,648.55
Inventories		**2,602,827.55**	**2,685,147.33**
II. Receivables and other assets			
1. Trade receivables	2,364,047.07		2,681,653.18
2. Other receivables and other assets	76,959.49		35,430.46
Receivables and other assets		**2,441,006.56**	**2,717,083.64**
III. Cash-in-hand, central bank balances, bank balances and cheques		342,370.96	309,089.47
Current assets		**5,386,205.07**	**5,711,320.44**
C. Prepaid expenses		**79,419.88**	**85,992.02**

Equity and liabilities

	03/31/2024 EUR	03/31/2024 EUR	03/31/2023 EUR
A. Equity			
I. Subscribed capital		200,000.00	200,000.00
Called capital		200,000.00	200,000.00
II. Retained profits brought forward		2,616,600.07	2,081,131.73
III. Net income		276,768.52	535,468.34
Total equity		**3,093,368.59**	**2,816,600.07**
B. Accruals			
1. Tax accruals	178,681.65		177,587.11
2. Other accruals	216,033.50		244,365.43
Accruals		**394,715.15**	**421,952.54**
C. Liabilities			
1. Payments received on account of orders	15,700.00		0.00
2. Trade payables	1,740,642.50		2,229,967.49
3. Payable to affiliated enterprises	650,000.00		550,000.00
4. Other liabilities	72,420.71		70,657.36
- Liabilities to tax offices: 23,783.67 (65,060.08)			
Liabilities		**2,478,763.21**	**2,850,624.85**

TVS Autoserv GmbH
Im Rollfeld 30
76532 Baden-Baden

Balance sheet as of March 31, 2024

Assets	03/31/2024 EUR	03/31/2024 EUR	03/31/2023 EUR	Equity and liabilities	03/31/2024 EUR	03/31/2024 EUR	03/31/2023 EUR
Total assets		5,966,846.95	6,089,177.46	Total equity and liabilities		5,966,846.95	6,089,177.46

TVS Autoserv GmbH
Im Rollfeld 30
76532 Baden-Baden

Income statement
from
April 1, 2023 to March 31, 2024

		2024 EUR	2024 EUR	2023 EUR
1.	Sales	11,754,767.37		12,070,156.67
	Total Output		**11,754,767.37**	**12,070,156.67**
2.	Other operating income			
	a) Income from disposals and write-ups of fixed assets	241.00		0.00
	b) Income from reversal of accruals	109.66		2,413.67
	c) Further non-operating and/or non-periodic income	37,903.06		82,876.51
	- of which currency translation gains: 764.20 (0.00)			
	Other operating income		**38,253.72**	**85,290.18**
3.	Cost of materials			
	a) Cost of raw materials, consumables and supplies and of purchased merchandise	-7,019,762.63		-7,928,208.17
	b) Cost of purchased services	-119,808.77		-117,649.93
	Cost of materials		**-7,139,571.40**	**-8,045,858.10**
	Gross results		**4,653,449.69**	**4,109,588.75**
4.	Personnel expenses			
	a) Wages and salaries	-2,003,932.99		-1,376,054.01
	b) Social security and other pension costs	-432,993.24		-332,503.28
	- Costs of old age pensions: -4,132.45 (-4,647.45)			
	Personnel expenses		**-2,436,926.23**	**-1,708,557.29**
5.	Depreciation			
	a) On intangible fixed assets and tangible assets as well as on capitalized start-up and business expansion expenses	-88,953.55		-58,028.06
	Depreciation		**-88,953.55**	**-58,028.06**
6.	Other operating expenses			
	a) Office costs	-632,269.27		-478,697.39
	b) Insurance premiums, fees and contributions	-32,974.25		-21,411.71
	c) Repairs carried out by third parties and maintenance expenses	-111,339.07		-76,631.32
	d) Expenses for transport park	-72,545.51		-67,866.77
	e) Marketing and travel costs	-11,264.30		-10,767.45
	f) Freight fees and packaging	-81,991.55		-111,698.71
	g) Other operating costs	-748,911.52		-790,703.52
	h) Losses from disposals of fixed assets	-719.00		-370.00
	i) Losses from disposals of current assets	-4,240.45		-5,246.00
	j) other ordinary operating expenses	-1,332.95		0.00
	- of which currency translation losses: -1,332.95 (0.00)			
	Other operating expenses		**-1,697,587.87**	**-1,563,392.87**
7.	Interest and similar expenses	-34,176.49		-16,934.21

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TVS Autoserv GmbH
Im Rollfeld 30
76532 Baden-Baden

		2024 EUR	2024 EUR	2023 EUR
	- to affiliated enterprises: -32,080.56 (-15,987.31)			
	Financial result		**-34,176.49**	**-16,934.21**
8.	Taxes on income		-119,037.03	-226,233.10
9.	**Earnings after taxes**		**276,768.52**	**536,443.22**
10.	Other taxes		0.00	-974.88
11.	**Net income**		**276,768.52**	**535,468.34**

TVS Autoserv GmbH
Im Rollfeld 30
76532 Baden-Baden

Balance sheet as of March 31, 2024

Assets

	03/31/2024 EUR	03/31/2024 EUR	03/31/2023 EUR
A. Fixed assets			
I. Intangible Assets			
1. Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets	26,801.00		29,732.00
135 Computer software -Baden-Baden-		26,801.00	29,732.00
Intangible assets		**26,801.00**	**29,732.00**
II. Tangible assets			
1. Other equipment, factory and office equipment	474,421.00		262,133.00
501 Other equipment, operating and office equipment		3.00	3.00
502 Other equipment, operating and office equipment - Baden-Baden		330,053.00	135,830.00
503 Other equipment, operating and office equipment		75,641.00	75,791.00
520 Passenger cars		10,438.00	16,131.00
650 Office fittings - administration Baden-Baden		2,006.00	2,273.00
652 Office fittings		1,303.00	1,644.00
680 Leasehold improvements		18,526.00	16,225.00
682 Leasehold improvements		33,189.00	11,351.00
690 Other operating and office equipment - Baden-Baden		2,371.00	2,856.00
692 Other operating and office equipment - Baden-Baden		1.00	23.00
693 Other operating and office equipment - München		890.00	6.00
Tangible assets		**474,421.00**	**262,133.00**
Fixed assets		**501,222.00**	**291,865.00**
B. Current assets			
I. Inventories			
1. Finished goods and merchandise	2,589,677.55		2,654,498.78
1140 Merchandise (inventories)		2,305,882.12	2,140,796.59
1142 Goods in Transit		228,270.85	513,702.19
1143 Merchandise (inventories)		45,164.47	0.00
1144 Merchandise (inventories)		10,360.11	0.00
2. Payments on account	13,150.00		30,648.55
1180 Prepayments for inventories		0.00	26,898.55
1186 Prepayments, 19 % input tax		0.00	3,750.00
1188 Prepayments, 19 % input tax		13,150.00	0.00
Inventories		**2,602,827.55**	**2,685,147.33**
II. Receivables and other assets			
1. Trade receivables	2,364,047.07		2,681,653.18
1200 Trade receivables		2,385,800.07	2,706,282.18
1248 Global valuation allowance on receivables due within 1 year		-21,753.00	-24,629.00
2. Other receivables and other assets	76,959.49		35,430.46
1300 Other assets		289.00	4,279.57
1340 Receivables from employees (payroll)		1,200.00	1,181.49
1355 Security deposits - due after more than 1 year		28,971.74	28,971.74
1395 Shares in cooperatives held for sale		50.00	50.00
1401 Deductible input tax, 7 %		447.04	0.00
1404 Deductible input tax on intra-Community acquisitions, 19 %		547,047.44	0.00
1406 Deductible input tax, 19 %		367,296.75	0.00

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		03/31/2024 EUR	03/31/2024 EUR	03/31/2023 EUR
1407	Deductible input tax under section 13b UStG, 19 %		20,746.27	0.00
1420	Accounts receivable from VAT advance payment		41,988.03	0.00
1433	Acquisition tax paid		845,135.10	0.00
3300	Trade payables		325.79	947.66
3804	VAT on intra-European Union acquisitions, 19%		-547,047.44	0.00
3806	VAT, 19 %		-1,074,604.82	0.00
3820	VAT prepayments		-134,139.14	0.00
3837	VAT under section 13b UStG, 19 %		-20,746.27	0.00
	- in more than one year's time: 28,971.74 (28,971.74)			
	Receivables and other assets		**2,441,006.56**	**2,717,083.64**
III.	Cash-in-hand, central bank balances, bank balances and cheques	342,370.96		309,089.47
1600	Cash-in-hand		286.69	170.43
1810	Voba Bd.-Bd.-Rastatt eG, Nr. 56828206		342,084.27	308,919.04
	Current assets		**5,386,205.07**	**5,711,320.44**
C.	**Prepaid expenses**	**79,419.88**		**85,992.02**
1900	Prepaid expenses		79,419.88	85,992.02
	Total assets		**5,966,846.95**	**6,089,177.46**

TVS Autoserv GmbH
Im Rollfeld 30
76532 Baden-Baden

Balance sheet as of March 31, 2024

Equity and liabilities

	03/31/2024 EUR	03/31/2024 EUR	03/31/2023 EUR
A. Equity			
I. Subscribed capital	200,000.00		200,000.00
2900 Subscribed capital		200,000.00	200,000.00
II. Retained profits brought forward	2,616,600.07		2,081,131.73
2970 Retained profits brought forward before appropriation of net profit		2,616,600.07	2,081,131.73
III. Net income		276,768.52	535,468.34
Total equity		**3,093,368.59**	**2,816,600.07**
B. Accruals			
1. Tax accruals	178,681.65		177,587.11
3035 Provision for trade tax, section 4(5b) EStG		117,825.00	89,886.00
3040 Provision for corporate income tax		60,856.65	87,701.11
2. Other accruals	216,033.50		244,365.43
3070 Other provisions		12,678.49	44,374.43
3073 Other provisions		0.00	40,000.00
3074 Provisions for personnel expenses		133,900.01	87,896.00
3090 Provisions for warranties (contra account 6790)		49,200.00	54,600.00
3095 Provisions for period-end closing and audit costs		13,655.00	10,895.00
3096 Provisions for record retention obligations		6,600.00	6,600.00
Accruals		**394,715.15**	**421,952.54**
C. Liabilities			
1. Payments received on account of orders	15,700.00		0.00
3272 Tax-paid payments received on account of orders, 19 % VAT (liabilities)		15,700.00	0.00
- with a term up to one year: 15,700.00 (0.00)			
2. Trade payables	1,740,642.50		2,229,967.49
3300 Trade payables		1,740,642.50	2,229,967.49
- with a term up to one year: 1,740,642.50 (2,229,967.49)			
3. Payable to affiliated enterprises	650,000.00		550,000.00
3410 Liabilities to affiliated companies - due after more than 5 years		650,000.00	550,000.00
- after more than 1 year: 650,000.00 (550,000.00)			
4. Other liabilities	72,420.71		70,657.36
1200 Trade receivables		45,355.48	5,597.28
1401 Deductible input tax, 7 %		0.00	-647.46
1404 Deductible input tax on intra-Community acquisitions, 19 %		0.00	-568,933.68
1406 Deductible input tax, 19 %		0.00	-283,334.37
1407 Deductible input tax under section 13b UStG, 19 %		0.00	-17,787.22
1433 Acquisition tax paid		0.00	-915,928.89
3500 Other liabilities		3,281.56	0.00
3701 Liabilities from taxes and levies - due within 1 year		0.00	48,210.87
3730 Wage and church tax payables		23,783.67	16,849.21
3804 VAT on intra-European Union acquisitions, 19%		0.00	568,933.68
3806 VAT, 19 %		0.00	1,237,360.21
3820 VAT prepayments		0.00	-37,449.49
3837 VAT under section 13b UStG, 19 %		0.00	17,787.22

	03/31/2024 EUR	03/31/2024 EUR	03/31/2023 EUR
- Liabilities to tax offices: 23,783.67 (65,060.08)			
- with a term up to one year: 72,420.71 (70,657.36)			
Liabilities		**2,478,763.21**	**2,850,624.85**
Total equity and liabilities		**5,966,846.95**	**6,089,177.46**

TVS Autoserv GmbH
Im Rollfeld 30
76532 Baden-Baden

Income statement
from
April 1, 2023 to March 31, 2024

			2024 EUR	2024 EUR	2023 EUR
1.	Sales		11,754,767.37		12,070,156.67
	4120	Tax-exempt sales, section 4 no. 1a UStG		235,614.51	549,638.42
	4121	Tax-exempt sales, section 4 no. 1a UStG		54,888.99	0.00
	4122	Tax-exempt sales, section 4 no. 1a UStG		2,782.85	0.00
	4125	Tax-exempt intra-European Union deliveries, section 4 no. 1b UStG		2,142,966.73	2,132,401.53
	4126	Tax-exempt intra-European Union deliveries, section 4 no. 1b UStG		9,687.95	0.00
	4127	Tax-exempt intra-European Union deliveries, section 4 no. 1b UStG		2,505.52	0.00
	4128	Tax-exempt intra-European Union deliveries, section 4 no. 1b UStG		322,567.39	0.00
	4150	Other tax-exempt sales (e.g. section 4 nos. 2-7 UStG)		0.00	3.76
	4152	Other tax-exempt sales (e.g. section 4 nos. 2-7 UStG)		356.18	71,402.74
	4155	Other tax-exempt sales (e.g. section 4 nos. 2-7 UStG)		95.07	3,332.58
	4336	Revenue from other services taxable in another EU country, for which the recipient bears tax liability		147,699.33	195,409.57
	4338	Revenue from services taxable in a third country, not subject to domestic taxation		3,049,074.36	2,430,977.60
	4350	Revenue from services taxable in a third country, not subject to domestic taxation		196,838.94	224,626.59
	4400	Revenue, 19 % VAT		4,038,199.63	5,114,852.96
	4401	Revenue, 19 % VAT		2,912.00	2,016.00
	4402	Revenue, 19 % VAT ZF Friedrichshafen		825,641.51	1,245,349.45
	4403	Revenue, 19 % VAT		338,010.40	0.00
	4404	Revenue, 19 % VAT Deutz AG Köln		8,875.76	0.00
	4405	Revenue, 19 % VAT		80,957.64	0.00
	4406	Revenue, 19 % VAT		36,330.00	0.00
	4407	Revenue, 19 % VAT		106,739.16	0.00
	4408	Revenue, 19 % VAT		126,350.02	90,487.10
	4510	Revenue from waste recycling		25,738.00	27,151.62
	4511	Revenue from waste recycling		150.43	572.83
	4700	Sales allowances		-215.00	-518.15
	4720	Sales allowances, 19 % VAT		0.00	-17,547.93
	Total Output			**11,754,767.37**	**12,070,156.67**
2.	Other operating income				
	a)	Income from disposals and write-ups of fixed assets	241.00		0.00
	4845	Revenue from sales of tangible fixed assets, 19 % VAT (book gain)		1,000.00	0.00
	4855	Disposals of tangible fixed assets (net carrying amount for book gain)		-759.00	0.00
	b)	Income from reversal of accruals	109.66		2,413.67
	4930	Income from reversal of provisions		109.66	2,413.67
	c)	Further non-operating and/or non-periodic income	37,903.06		82,876.51
	4839	Other infrequent income		3.82	0.00
	4840	Currency translation gains		764.20	0.00
	4946	Allocated other non-cash benefits		804.58	0.00
	4947	Allocated other non-cash benefits from provision of car, 19% VAT		10,118.71	11,663.41
	4948	Allocated other non-cash benefits, 19% VAT		38,436.94	38,448.19

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		2024 EUR	2024 EUR	2023 EUR
4949	Allocated other non-cash benefits, no VAT		-20,519.04	-20,104.24
4970	Insurance recoveries and compensation payments		8,293.85	0.00
4972	Refunds Act on Reimbursement of Employers' Expenses (AAG)		0.00	36,276.49
4975	Investment subsidies (taxable)		0.00	16,592.66
	- of which currency translation gains: 764.20 (0.00)			
	Other operating income		**38,253.72**	**85,290.18**
3.	Cost of materials			
a)	Cost of raw materials, consumables and supplies and of purchased merchandise	-7,019,762.63		-7,928,208.17
5200	Cost of merchandise		-439,767.34	-170,618.98
5201	Cost of merchandise Hangzhou Wanray Jincheng, China		-157,460.34	-109,326.42
5202	Cost of merchandise Fasteners Ltd Sundram Hosur, India		-1,233,262.91	-1,366,623.91
5204	Cost of merchandise Rubber Sund. Madurei, India		-47,194.73	-125,787.27
5205	Cost of merchandise Indsat Chennai, India		-712,181.86	-982,012.17
5206	Cost of merchandise Lumax		-238,783.93	-333,893.34
5209	Cost of merchandise		-34,496.78	-22,903.26
5210	Cost of merchandise Shanghai PMI Machinery		-26,294.40	0.00
5212	Cost of merchandise M/S Wheels India Padi Chennai India		-1,076,612.00	-1,543,357.00
5214	Cost of merchandise		-1,093.42	0.00
5219	Cost of merchandise		-3,200.00	-5,614.01
5400	Cost of merchandise, 19 % input tax		-7,388.65	-8,499.96
5402	Cost of merchandise, 19 % input tax		-1,774.00	0.00
5425	Intra-European Union acquisitions, 19 % input tax and 7% VAT		-2,269,168.05	-2,962,500.56
5426	Intra-European Union acquisitions, 19 % input tax and 7% VAT		0.00	-31,800.00
5427	Intra-European Union acquisitions, 19 % input tax and 7% VAT		-241,036.20	0.00
5428	Intra-European Union acquisitions, 19 % input tax and 7% VAT		-278,600.42	0.00
5429	Intra-European Union acquisitions, 19 % input tax and 7% VAT		-90,707.25	0.00
5736	Cash discounts received, 19 % input tax		1,159.52	2,195.55
5748	Cash discounts received on taxable intra-European Union acquisitions, 19% input tax and 19% VAT		315.62	113.61
5800	Delivery costs		-4,995.97	-15,721.44
5801	Warehousing - Costs		-60,374.54	-35,702.21
5802	Freight - Costs		-52,501.00	-125,080.12
5804	Delivery costs - Other		-22,286.12	-67,776.17
5806	Delivery costs		-72,690.65	-76,204.61
5808	Delivery costs		-117,970.13	0.00
5840	Customs and import duties		-31,643.19	-35,576.16
5880	Changes in inventories of raw materials, consumables and supplies, and of purchased merchandise		160,246.11	128,480.26
5881	Changes in inventories of purchased merchandise		40,000.00	-40,000.00
b)	Cost of purchased services	-119,808.77		-117,649.93
5900	Purchased services		-45,006.30	-44,899.20
5923	Other services supplied by a contractor in another EU country, 19 % input tax and 19 % VAT		-74,893.22	-73,306.91
5951	Cash discounts received on services for which recipient bears tax liability under section 13b UStG, 19 % input tax and 19 % VAT		90.75	556.18
	Cost of materials		**-7,139,571.40**	**-8,045,858.10**
	Gross results		**4,653,449.69**	**4,109,588.75**

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	2024 EUR	2024 EUR	2023 EUR
4. Personnel expenses			
a) Wages and salaries	-2,003,932.99		-1,376,054.01
6000 Wages and salaries		-1,276,634.11	-830,818.53
6010 Wages		-21,401.50	0.00
6020 Wages and Salaries		-494,134.15	-364,251.40
6024 Managing director salaries of shareholders of limited liability company (GmbH)		-98,500.00	-100,880.00
6035 Wages for marginal part-time work		-24,394.52	-30,551.69
6036 Flat-rate taxes for marginal parttime workers		-487.88	-619.96
6037 Flat-rate taxes for shareholder managers		-900.00	0.00
6038 Flat-rate taxes for salaried partners, section 15 EStG		-18.00	0.00
6068 Voluntary non-cash benefits provided to salaried partners, section 15 EStG		-18.38	0.00
6069 Flat-rate tax on other benefits (e.g. travel allowances)		-188.96	-441.77
6070 Sick pay supplements		-835.87	-1,102.04
6072 Non-cash benefits and services provided to employees		-12,041.30	-13,537.30
6073 Non-cash benefits and services provided a car		-25,220.88	-25,991.32
6074 Non-cash benefits and services provided to salaried partners, section 15 EStG		-957.44	0.00
6076 Employment agency subsidies (credit balances)		-8,473.00	-4,429.00
6077 Other expenses holiday accruals		0.00	-2,271.00
6078 Employment agency subsidies (credit balances)		-38,527.00	0.00
6080 Capital-forming payments		-720.00	-680.00
6081 Capital-forming payments		-480.00	-480.00
b) Social security and other pension costs	-432,993.24		-332,503.28
6110 Statutory social security expenses		-277,804.25	-195,401.00
6111 Statutory social security expenses		-4,672.75	0.00
6115 Statutory social security expenses		-118,020.30	-110,036.13
6120 Contributions to occupational health and safety agency		-14,140.00	-9,709.03
6121 Contributions to occupational health and safety agency		-6,278.10	-4,270.97
6130 Voluntary social benefits not subject to wage tax		-3,670.51	-5,064.05
6131 Voluntary social benefits not subject to wage tax - Baden-Baden		-3,051.59	-1,492.55
6133 Voluntary social benefits not subject to wage tax		-735.79	-1,552.97
6140 Cost of old age pensions		0.00	-247.82
6141 Cost of old age pensions		-4,132.45	-4,399.63
6160 Employee benefit expenses		0.00	-329.13
6161 Employee benefit expenses		-487.50	0.00
- Costs of old age pensions: -4,132.45 (-4,647.45)			
Personnel expenses		**-2,436,926.23**	**-1,708,557.29**
5. Depreciation			
a) On intangible fixed assets and tangible assets as well as on capitalized start-up and business expansion expenses	-88,953.55		-58,028.06
6200 Amortisation of intangible fixed assets		-14,509.72	-8,984.00
6220 Depreciation of tangible fixed assets (excluding depreciation of motor vehicles and buildings)		-6,261.12	-6,550.00
6222 Depreciation on vehicles		-5,693.00	-1,933.83
6223 Depreciation of tangible fixed assets (excluding depreciation of motor vehicles and buildings)		-46,206.04	-25,827.57
6224 Depreciation of tangible fixed assets (excluding depreciation of motor vehicles and buildings)		-5,236.89	-8,648.20

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		2024 EUR	2024 EUR	2023 EUR
6225	Depreciation of share of building attributable to home office		-1,507.88	0.00
6226	Depreciation of share of building attributable to home office		-31.36	0.00
6260	Immediate write-offs of low-value assets Baden-Baden		-6,333.54	-4,564.75
6261	Immediate write-offs of low-value assets Ettlingen		-3,174.00	-1,214.40
6262	Immediate write -offs of low-value assets		0.00	-305.31
	Depreciation		**-88,953.55**	**-58,028.06**
6.	Other operating expenses			
a)	Office costs	-632,269.27		-478,697.39
6305	Occupancy costs		-3,541.19	-4,900.00
6307	Occupancy costs		-15,745.77	0.00
6308	Occupancy costs		-16,847.00	-17,148.69
6310	Rent office Baden-Baden		-6,240.00	-6,240.00
6311	Rent warehouse Baden-Baden		-234,376.14	-232,820.40
6312	Rent office Ettlingen		-102,391.56	-127,051.97
6313	Rent warehouse - cellar Ettlingen		-26,600.00	0.00
6314	As an extra rent warehouse Hannover		-41,500.00	0.00
6315	Rent warehouse Hannover		-52,868.00	0.00
6322	Heating		-7,609.00	0.00
6323	Heating		-7,153.00	0.00
6324	Heating		-32,760.99	-20,864.00
6325	Gas, electricity, water		-18,557.01	-14,331.13
6326	Gas, electricity, water		-2,692.11	-2,385.73
6327	Gas, electricity, water		-10,650.00	-10,650.00
6328	Gas, electricity, water		-15,492.47	-10,472.00
6329	Gas, electricity, water		-7,586.60	-7,909.63
6330	Cleaning		-2,925.13	-2,909.74
6331	Cleaning		-19,982.50	-13,950.36
6336	Maintenance of operating premises		-1,486.34	-2,649.02
6344	Safety engineering		-5,264.46	-4,414.72
b)	Insurance premiums, fees and contributions	-32,974.25		-21,411.71
6400	Insurance premiums		-15,217.30	-9,342.35
6402	Insurance premiums		-8,829.77	-4,765.92
6403	Insurance premiums		-1,236.22	-798.75
6420	Contributions		-5,430.88	-5,990.66
6430	Other levies		-514.08	-514.03
6436	Tax-deductible late filing penalties and administrative fines		-66.00	0.00
6440	Disabled persons equalisation levy		-1,680.00	0.00
c)	Repairs carried out by third parties and maintenance expenses	-111,339.07		-76,631.32
6450	Building repairs and maintenance		-92.45	0.00
6471	Repairs and maintenance of operating and office equipment		-27,556.12	-11,544.67
6490	Other repairs and maintenance		-8,080.32	0.00
6495	Hardware and software maintenance expenses		-75,610.18	-65,086.65
d)	Expenses for transport park	-72,545.51		-67,866.77
6520	Vehicle insurance		-8,597.03	-6,248.84
6525	Motor vehicle tax		-626.85	-647.46
6530	Current vehicle operating costs		-7,789.49	0.00
6531	Current motor vehicle operating costs		-1,247.61	-1,275.12
6532	Current motor vehicle operating costs		-1,132.99	-1,996.40
6533	Current motor vehicle operating costs		-1,076.46	-2,361.17
6534	Current motor vehicle operating costs		-349.50	-790.31
6535	Current motor vehicle operating costs		0.00	-70.08
6536	Current motor vehicle operating costs		-301.36	-373.78
6537	Current motor vehicle operating costs		-1,177.59	-1,555.45
6539	Current motor vehicle operating costs		-750.02	-1,165.00
6540	Vehicle repairs		-549.81	0.00
6541	Motor vehicle repairs		0.00	-92.27
6542	Motor vehicle repairs		-964.79	-1,678.23
6543	Motor vehicle repairs		-2,337.79	-201.10
6544	Motor vehicle repairs		-187.11	0.00

		2024 EUR	2024 EUR	2023 EUR
6546	Motor vehicle repairs		0.00	-3.15
6547	Motor vehicle repairs		-198.32	-584.05
6560	Operating leases (motor vehicles)		-20,895.11	-5,043.48
6563	Operating leases (motor vehicles)		-3,986.88	-8,418.76
6564	Operating leases (motor vehicles)		-2,208.00	-4,658.53
6565	Rental leasing expenses for electric vehicles and bicycles, which are to be added for trade tax purposes		-1,779.72	-3,559.44
6566	Operating leases (motor vehicles)		0.00	-6,733.87
6567	Operating leases (motor vehicles)		-1,190.70	-2,857.68
6569	Operating leases (motor vehicles)		-5,944.68	-11,889.36
6570	Other vehicle expenses		-6,918.77	0.00
6571	Other Motor Veh. Expenses		-376.20	-2,462.73
6572	Other motor vehicle expenses		-8.41	-57.98
6573	Other motor vehicle expenses		-26.87	-4.19
6574	Other motor vehicle expenses		-520.84	-211.68
6575	Other motor vehicle expenses		0.00	-921.90
6576	Other motor vehicle expenses		-831.93	0.00
6578	Other motor vehicle expenses		-45.38	-131.88
6579	Other motor vehicle expenses		-204.19	-454.69
6595	Third-party vehicle expenses		-321.11	-1,418.19
e)	Marketing and travel costs	-11,264.30		-10,767.45
6600	Advertising costs		-207.55	-404.69
6611	Non-cash benefits to third parties, deductible, s. 37b EStG		-1,289.96	-1,441.20
6612	Flat-rate taxes and levies on non-cash benefits and gifts, deductible		-492.09	-565.83
6630	Corporate hospitality expenses		-390.05	-183.12
6640	Entertainment expenses		-2,918.85	-2,969.29
6643	Small gifts		-114.70	0.00
6644	Non-deductible entertainment expenses		-1,248.10	-1,266.01
6645	Non-deductible business expenses from advertising and corporate hospitality expenses		-285.90	0.00
6650	Employee travel expenses		-2,080.70	-1,238.45
6660	Employee travel expenses, accommodation costs		-832.99	-1,319.94
6664	Employee travel expenses, additional subsistence costs		-1,100.40	-608.80
6670	Managing director travel expenses		-275.01	-422.12
6674	Managing director Trav Expns, Add. Subst.Costs		-28.00	-348.00
f)	Freight fees and packaging	-81,991.55		-111,698.71
6740	Outgoing freight		-3,754.69	-55,118.53
6780	Third-party services (distribution)		-16,226.00	-14,177.00
6790	Warranty expenses - global		5,400.00	-8,500.00
6791	Warranty expenses - customers diverse		-67,410.86	-33,903.18
g)	Other operating costs	-748,911.52		-790,703.52
6300	Other operating expenses		-10,290.75	-7,597.76
6301	Other regular operating expenses		-26,570.00	-100,981.85
6303	Purchased services/third-party services		-73,590.05	-6,836.49
6304	Other regular operating expenses		-235,205.79	-368,777.06
6498	Operating leases (movable assets)		-53,156.52	-53,156.52
6800	Postage		-1,619.29	-2,327.21
6805	Telephone		-6,177.43	-5,622.29
6810	Internet costs		-1,440.23	-1,062.47
6815	Office supplies		-9,046.47	-8,725.85
6816	Office supplies		-8,962.36	-4,759.67
6817	Office supplies - User fee Atlas		-13,885.37	-7,633.32
6818	Office supplies		-3,471.00	-3,057.00
6819	Office supplies		-80,225.14	-39,221.14
6820	Newspapers, books (specialist literature)		-91.57	0.00
6821	Training costs		-3,606.50	-3,510.00
6825	Legal and consulting costs		-231.47	-1,384.16
6826	Legal and consulting costs		-7,200.00	-5,953.57
6827	Period-end closing and audit costs		-14,365.00	-12,561.06
6830	Bookkeeping costs		-22,515.50	-19,996.00
6836	Leases (movable assets)		-3,097.00	-476.00

		2024 EUR	2024 EUR	2023 EUR
6837	Expenses for temporary transfer of rights (licences, concessions)		-5,636.19	-22,544.76
6839	Expenses for rented or leased movable assets that must be added back under trade tax law		-18,643.72	-17,044.24
6840	Operating leases (movable assets)		-3,948.00	-3,495.86
6841	Operating leases (movable assets)		-15,533.67	-8,741.04
6843	Operating leases (movable assets)		-13,802.40	-9,623.34
6844	Operating leases (movable assets)		-8,358.00	-6,182.00
6846	Tools and minor equipment		-18.53	0.00
6847	Tools and minor equipment		-2,634.77	-848.20
6850	Other operating supplies		-421.56	-112.76
6851	Other operating supplies		-24,577.46	-19,055.19
6852	Other operating supplies		-23,712.29	-13,091.01
6855	Incidental monetary transaction costs		-13,040.84	-11,357.03
6859	Environmental remediation and waste disposal expenses		-43,836.65	-24,968.67
h)	Losses from disposals of fixed assets	-719.00		-370.00
6895	Disposals of tangible fixed assets (net carrying amount for book loss)		-718.00	-370.00
6896	Disposals of intangible fixed assets (net carrying amount for book loss)		-1.00	0.00
i)	Losses from disposals of current assets	-4,240.45		-5,246.00
6905	Losses on disposal of current assets (excluding inventories)		-7,116.45	0.00
6920	Transfers to global valuation allowance on receivables		2,876.00	-5,246.00
j)	other ordinary operating expenses	-1,332.95		0.00
6880	Currency translation losses		-1,332.96	0.00
6883	Expenses from remeasurement of cash funds		0.01	0.00
	- of which currency translation losses: -1,332.95 (0.00)			
	Other operating expenses		**-1,697,587.87**	**-1,563,392.87**
7.	Interest and similar expenses	-34,176.49		-16,934.21
7320	Interest expense on long-term debt		-2,095.93	-946.90
7329	Interest expenses on long-term liabilities to affiliated companies		-32,080.56	-15,987.31
	- to affiliated enterprises: -32,080.56 (-15,987.31)			
	Financial result		**-34,176.49**	**-16,934.21**
8.	Taxes on income	-119,037.03		-226,233.10
7600	Corporate income tax		-59,437.00	-114,351.00
7608	Solidarity surcharge		-3,269.03	-6,289.30
7610	Trade tax		-55,239.00	-104,968.00
7639	Credit/ deduction of foreign withholding tax		-1,092.00	-624.00
7641	Backpayments and refunds of trade tax for prior years, section 4(5b) EStG		0.00	-0.80
9.	**Earnings after taxes**		**276,768.52**	**536,443.22**
10.	Other taxes	0.00		-974.88
7690	Backpayments of other taxes for prior years		0.00	-974.88
11.	**Net income**		**276,768.52**	**535,468.34**

B) Certification

The tax annual accounts as at 31st March 2024 is based on the bookkeeping made by TVS Autoserv GmbH plus supporting documents submitted to us as well as on information given by the company management.

Rastatt, 30th April 2024

DIPL.-BETRIEBSWIRT (BA) MATTHIAS WILKE
STEUERBERATER
RASTATT

*(Stamp and signature
of Matthias Wilke,
tax consultant office, Rastatt)*

C) Development of fixed assets as at 31st March 2024

TVS Autoserv GmbH
Im Rollfeld 30
76532 Baden-Baden

development of fixed assets
from 04/01/2023 to 03/31/2024

bal.item account	name	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
I.	**Intangible Assets**						
1.	**Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets**						
135		61,211.49 70,691.21	11,579.72 2,100.00			43,890.21 14,509.72	26,801.00 29,732.00
	ordinary depreciation					14,509.72	
Summe	**Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets**	**61,211.49 70,691.21**	**11,579.72 2,100.00**			**43,890.21 14,509.72**	**26,801.00 29,732.00**
	ordinary depreciation					**14,509.72**	
Summe	**Intangible Assets**	**61,211.49 70,691.21**	**11,579.72 2,100.00**			**43,890.21 14,509.72**	**26,801.00 29,732.00**
	ordinary depreciation					**14,509.72**	
II.	**Tangible assets**						
1.	**Other equipment, factory and office equipment**						
501		2,450.00 2,450.00				2,447.00 0.00	3.00 3.00
502		179,272.36 397,510.56	33,100.42 5,916.00	191,053.78		67,457.56 28,479.20	330,053.00 135,830.00
	ordinary depreciation					28,479.20	
503		83,427.13 91,245.58	7,818.45			15,604.58 7,968.45	75,641.00 75,791.00
	ordinary depreciation					7,968.45	
520		25,945.38 25,945.38				15,507.38 5,693.00	10,438.00 16,131.00
	ordinary depreciation					5,693.00	
650		3,460.56 3,460.56				1,454.56 267.00	2,006.00 2,273.00
	ordinary depreciation					267.00	
652		4,426.32 4,426.32				3,123.32 341.00	1,303.00 1,644.00
	ordinary depreciation					341.00	

TVS Autoserv GmbH
Im Rollfeld 30
76532 Baden-Baden

development of fixed assets
from 04/01/2023 to 03/31/2024

bal.item account	name	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
670		0.00 0.00	6,333.54 6,333.54			0.00 6,333.54	0.00 0.00
	ordinary depreciation					6,333.54	
671		0.00 0.00	3,174.00 3,174.00			0.00 3,174.00	0.00 0.00
	ordinary depreciation					3,174.00	
672		0.00 0.00	9,758.39 9,758.39			0.00 9,758.39	0.00 0.00
	ordinary depreciation					9,758.39	
680		19,491.02 24,791.02	5,300.00			6,265.02 2,999.00	18,526.00 16,225.00
	ordinary depreciation					2,999.00	
682		24,442.73 50,442.73	26,000.00			17,253.73 4,162.00	33,189.00 11,351.00
	ordinary depreciation					4,162.00	
690		50,194.33 45,158.61	4,748.89 9,784.61			42,787.61 5,218.89	2,371.00 2,856.00
	ordinary depreciation					5,218.89	
692		3,956.64 935.52	 3,021.12			934.52 18.00	1.00 23.00
	ordinary depreciation					18.00	
693		7,382.95 921.36	921.36 7,382.95			31.36 31.36	890.00 6.00
	ordinary depreciation					31.36	
Summe	**Other equipment, factory and office equipment**	**404,449.42 647,287.64**	**97,155.05 45,370.61**	**191,053.78**		**172,866.64 74,443.83**	**474,421.00 262,133.00**
	ordinary depreciation					**74,443.83**	
2.	**Payments on account and assets under construction**						
785		0.00 0.00	191,053.78	-191,053.78		0.00 0.00	0.00 0.00
Summe	**Payments on account and assets under construction**	**0.00 0.00**	**191,053.78**	**-191,053.78**		**0.00 0.00**	**0.00 0.00**

TVS Autoserv GmbH
Im Rollfeld 30
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development of fixed assets
from 04/01/2023 to 03/31/2024

bal.item account	name	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
Summe	Tangible assets	404,449.42 647,287.64	288,208.83 45,370.61			172,866.64 74,443.83	474,421.00 262,133.00
	ordinary depreciation					74,443.83	
Summe	Assets	465,660.91 717,978.85	299,788.55 47,470.61			216,756.85 88,953.55	501,222.00 291,865.00
	ordinary depreciation					88,953.55	

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development of fixed assets
from 04/01/2023 to 03/31/2024

bal.item account invent.	name	ul	date %	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
I.	**Intangible Assets**								
1.	**Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets**								
135									
135001	Different costs of SAP Init Consulting AG, Kösching	 3/00	12/27/2018 33.33	22,630.85 22,630.85				22,629.85 7,543.00	1.00 7,544.00
	ordinary depreciation							7,543.00	
135002	ATLAS-furnishing ERP-adapter consulting training TIA Innovations GmbH, Böblingen	 3/00	08/31/2018 33.33	9,325.64 9,325.64				9,324.64 0.00	1.00 1.00
135003	Firewall and licenses administration+warehouse PC Schmiede GmbH & Co. KG, Gaggenau	 3/00	04/10/2019 33.33	4,928.00 4,928.00				4,927.00 0.00	1.00 1.00
135004	Software !MC5 Ronald Bartsch Software, Kiel	 3/00	07/10/2019 33.33	2,100.00 0.00	 2,100.00			0.00 699.00	0.00 700.00
	ordinary depreciation							699.00	
135005	init consulting AG, Kösching SAP Business One licenses	 5/00	02/15/2023 20.00	22,227.00 22,227.00				5,187.00 4,446.00	17,040.00 21,486.00
	ordinary depreciation							4,446.00	
135006	Grenke AG, Baden-Baden SAP licenses	 5/00	06/13/2023 20.00	 5,007.72	5,007.72			835.72 835.72	4,172.00
	ordinary depreciation							835.72	
135007	init consulting AG, Kösching Business One licenses	 5/00	07/27/2023 20.00	 6,572.00	6,572.00			986.00 986.00	5,586.00
	ordinary depreciation							986.00	
Sum				**61,211.49 70,691.21**	**11,579.72 2,100.00**			**43,890.21 14,509.72**	**26,801.00 29,732.00**
	ordinary depreciation							**14,509.72**	
Sum	**Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets**			**61,211.49 70,691.21**	**11,579.72 2,100.00**			**43,890.21 14,509.72**	**26,801.00 29,732.00**
	ordinary depreciation							**14,509.72**	

development of fixed assets
from 04/01/2023 to 03/31/2024

bal.item account invent.	name	ul	date %	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
	Sum Intangible Assets			**61,211.49**	**11,579.72**			**43,890.21**	**26,801.00**
				70,691.21	**2,100.00**			**14,509.72**	**29,732.00**
	ordinary depreciation							**14,509.72**	
II.	**Tangible assets**								
1.	**Other equipment, factory and office equipment**								
501									
501003	hand lift truck (second hand)		11/29/2012	475.00				474.00	1.00
	Huck Fördertechnik GmbH, Sinzheim	8/00	12.50	475.00				0.00	1.00
501004	lifting cart Ravas		05/13/2013	1,300.00				1,299.00	1.00
	Huck Fördertechnik GmbH, Sinzheim	8/00	12.50	1,300.00				0.00	1.00
501005	hand lift truck (second hand)		05/27/2014	675.00				674.00	1.00
	Huck Fördertechnik GmbH, Sinzheim	4/00	25.00	675.00				0.00	1.00
	Sum			**2,450.00**				**2,447.00**	**3.00**
				2,450.00				**0.00**	**3.00**
502									
502001	2 handdryer DYSON Airblade white		12/09/2014	1,510.92				1,509.92	1.00
	Mioga Warenhandel GmbH, Dresden	5/00	20.00	1,510.92				0.00	1.00
502002	8 steellockers 4-door		12/11/2014	1,844.90				1,723.90	121.00
	Vögele GmbH, Pfullingen	10/00	10.00	1,844.90				185.00	306.00
	ordinary depreciation							185.00	
502003	kitchen furniture		02/09/2015	5,844.45				4,121.45	1,723.00
	Möbelhaus Müller, Rastatt	13/00	7.69	5,844.45				450.00	2,173.00
	ordinary depreciation							450.00	
502004	floor cleaner BR 35/12 C BP		02/12/2015	2,988.40				2,987.40	1.00
	Farben Frank GmbH, Baden-Baden	8/00	12.50	2,988.40				0.00	1.00
502005	lifting cart second-hand		05/19/2016	1,372.00				1,371.00	1.00
	Huck Fördertechnik GmbH, Sinzheim	4/00	25.00	1,372.00				0.00	1.00
502006	double row of shelves		01/14/2019	7,815.46				4,103.46	3,712.00
	Ibelo GmbH & Co. KG, Oberkirch	10/00	10.00	7,815.46				782.00	4,494.00
	ordinary depreciation							782.00	

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bal.item account invent.	name	ul / date %	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
502007	Tricycle forklift Mitsubishi FB 16 (second hand)	05/02/2019	4,557.00				0.00	0.00
	Huck Fördertechnik GmbH, Sinzheim	5/00 20.00	0.00	4,557.00			303.00	1,062.00
	ordinary depreciation						303.00	
502008	Data acquisition device MC 3300 mobil	08/12/2019	1,483.00				1,482.00	1.00
	Priority ID GmbH, Dieburg	3/00 33.33	1,483.00				0.00	1.00
502009	hand lift truck ant e-hydraulisch	09/10/2019	1,359.00				0.00	0.00
	Jungheinrich Profi Shop, Hamburg	8/00 12.50	0.00	1,359.00			57.00	750.00
	ordinary depreciation						57.00	
502010	Data acquisition divice MC 3300 Android	10/22/2019	1,483.00				1,482.00	1.00
	Priority ID GmbH, Dieburg	3/00 33.33	1,483.00				0.00	1.00
502011	Label printer TSC MH-34T (warehouse)	12/11/2019	990.00				989.00	1.00
	Horst Höll GmbH, Baden-Baden	3/00 33.33	990.00				0.00	1.00
502012	BITO Pallet racking system (second hand)	12/17/2019	3,480.00				1,508.00	1,972.00
	Grenke AG, Baden-Baden	10/00 10.00	3,480.00				348.00	2,320.00
	ordinary depreciation						348.00	
502013	Elektric tricycle stacker (second hand)	12/17/2019	1,295.00				1,294.00	1.00
	Grenke AG, Baden-Baden	3/00 33.33	1,295.00				0.00	1.00
502014	Telephone system (second hand) AGEFO 200 IT	03/12/2020	899.00				898.00	1.00
	Grenke AG, Baden-Baden	3/00 33.33	899.00				0.00	1.00
502015	Label printer TSC MH340T	05/19/2020	1,150.00				1,149.00	1.00
	Horst Höll GmbH, Baden-Baden	3/00 33.33	1,150.00				31.00	32.00
	ordinary depreciation						31.00	
502016	KU locking device	04/19/2021	2,080.50				1,248.50	832.00
	Prodinger Verpackung, Coburg	5/00 20.00	2,080.50				416.00	1,248.00
	ordinary depreciation						416.00	
502017	Data acquisition divice MC 3300x	09/06/2021	2,746.00				2,746.00	0.00
	Priority ID GmbH, Dieburg	1/00 100.00	2,746.00				0.00	0.00
502018	Data acquisition divice MC 3300x	11/25/2021	1,373.00				1,373.00	0.00
	Priority ID GmbH, Dieburg	1/00 100.00	1,373.00				0.00	0.00
502019	drive-through scale DSI 1015	01/27/2022	2,112.88				594.88	1,518.00
	Bosche GmbH & Co.KG, Damme	8/00 12.50	2,112.88				264.00	1,782.00
	ordinary depreciation						264.00	
502020	pallet rack Typ Bito	03/08/2022	5,837.37				1,521.37	4,316.00
	Ibelo GmbH & Co.KG, Oberkirch	8/00 12.50	5,837.37				730.00	5,046.00
	ordinary depreciation						730.00	

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bal.item account invent.	name	ul	date %	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
502021	Karl Dischinger GmbH		04/22/2022	5,500.00				1,100.00	4,400.00
	mobile loading ramp used	10/00	10.00	5,500.00				550.00	4,950.00
	ordinary depreciation							550.00	
502022	Jungheinrich Vertrieb Deutschland AG		05/23/2022	8,980.00				2,152.00	6,828.00
	Electric forklift, electric pallet truck	8/00	12.50	8,980.00				1,123.00	7,951.00
	ordinary depreciation							1,123.00	
502023	De Lage Landen Leasing GmbH		06/01/2022	19,450.00				4,457.00	14,993.00
	Mitsubishi electric forklift FB2	8/00	12.50	19,450.00				2,431.00	17,424.00
	ordinary depreciation							2,431.00	
502024	Ibelo GmbH & Co.KG, Oberkirch		07/19/2022	40,000.00				8,750.00	31,250.00
	pallet racking system	8/00	12.50	40,000.00				5,000.00	36,250.00
	ordinary depreciation							5,000.00	
502025	De Lage Landen Leasing GmbH		08/10/2022	24,650.00				5,136.00	19,514.00
	Mitsubishi electric forklift FB1	8/00	12.50	24,650.00				3,081.00	22,595.00
	ordinary depreciation							3,081.00	
502026	TVS Supply Chain Solutions GmbH		04/01/2022	6,450.00				1,614.00	4,836.00
	Stor control system	8/00	12.50	6,450.00				807.00	5,643.00
	ordinary depreciation							807.00	
502027	Möbelhaus Müller GmbH, Rastatt		12/06/2022	951.68				182.68	769.00
	dishwasher	7/00	14.29	951.68				136.00	905.00
	ordinary depreciation							136.00	
502028	HEKIM Germany Monoblock		03/22/2023	5,450.00	7,115.40			1,309.40	11,256.00
	Office container	10/00	10.00	12,565.40				1,263.40	5,404.00
	ordinary depreciation							1,263.40	
502029	FM Leasing Partner		03/30/2023	15,618.80				1,693.80	13,925.00
	Saurus loading dock	10/00	10.00	15,618.80				1,562.00	15,487.00
	ordinary depreciation							1,562.00	
502030	Huck Fördertechnik GmbH, Sinzheim		05/03/2023		17,800.00			5,439.00	12,361.00
	Mitsubishi tricycle forklift	3/00	33.33	17,800.00				5,439.00	
	ordinary depreciation							5,439.00	
502031	Europack24 GmbH, Heidenau		05/05/2023		4,945.02			907.02	4,038.00
	ZAPAK ZP93	5/00	20.00	4,945.02				907.02	
	ordinary depreciation							907.02	

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bal.item account invent.	name	ul	date %	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
502032	Jungheinrich PROFISHOP, Hamburg scissor pallet truck	8/00	06/15/2023 12.50	 3,240.00	3,240.00			338.00 338.00	2,902.00
	ordinary depreciation							338.00	
502033	activation shelf warehouse	14/00	02/01/2024 7.14	 191,053.78		191,053.78		2,275.78 2,275.78	188,778.00
	ordinary depreciation							2,275.78	
Sum				**179,272.36** **397,510.56**	**33,100.42** **5,916.00**	**191,053.78**		**67,457.56** **28,479.20**	**330,053.00** **135,830.00**
	ordinary depreciation							**28,479.20**	
503									
503001	compressor system KAESER Ehlgötz Kompressoren + Motoren GmbH, Karlsruhe	10/00	10/29/2021 10.00	8,297.04 8,297.04				2,075.04 830.00	6,222.00 7,052.00
	ordinary depreciation							830.00	
503002	metal mold specialist horde Metallform Wächter GmbH, Bretten	10/00	03/08/2022 10.00	27,093.33 27,093.33				5,646.33 2,710.00	21,447.00 24,157.00
	ordinary depreciation							2,710.00	
503003	metal mold mefo-box Metallform Wächter GmbH, Bretten	10/00	03/22/2022 10.00	5,288.99 5,288.99				1,076.99 532.00	4,212.00 4,744.00
	ordinary depreciation							532.00	
503004	Ibela GmbH & Co.KG, Oberkirch steel stage	15/00	05/10/2022 6.67	36,312.20 44,130.65	7,818.45			5,195.65 2,976.45	38,935.00 34,093.00
	ordinary depreciation							2,976.45	
503005	Vertical Positioning Group, Ängelhom Lifting table	7/00	07/28/2022 14.29	6,435.57 6,435.57				1,610.57 920.00	4,825.00 5,745.00
	ordinary depreciation							920.00	
Sum				**83,427.13** **91,245.58**	**7,818.45**			**15,604.58** **7,968.45**	**75,641.00** **75,791.00**
	ordinary depreciation							**7,968.45**	
520									
520003	Opel Vivaro 1.6 CDT box (second hand) Zschernitz GmbH, Ettlingen	3/00	08/12/2019 33.33	8,865.55 8,865.55				8,864.55 0.00	1.00 1.00

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520004	Wackenhut GmbH & Co.KG, Baden-Baden		02/16/2023	17,079.83				6,642.83	10,437.00
	Mercedes-Benz C 200 d estate	3/00	33.33	17,079.83				5,693.00	16,130.00
	ordinary depreciation							5,693.00	
Sum				**25,945.38**				**15,507.38**	**10,438.00**
				25,945.38				**5,693.00**	**16,131.00**
	ordinary depreciation							**5,693.00**	
650									
650001	filing cabinet Assman ATO8604		07/29/2014	515.25				388.25	127.00
	Horst Höll Büroeinrichtung GmbH, Baden-Baden	13/00	7.69	515.25				40.00	167.00
	ordinary depreciation							40.00	
650002	filing cabinet and desk		08/31/2016	1,329.15				784.15	545.00
	TVS Supply Chain Solutions GmbH, Baden-Baden	13/00	7.69	1,329.15				102.00	647.00
	ordinary depreciation							102.00	
650003	swivel chair		01/27/2022	1,616.16				282.16	1,334.00
	Horst Höll GmbH, Baden-Baden	13/00	7.69	1,616.16				125.00	1,459.00
	ordinary depreciation							125.00	
Sum				**3,460.56**				**1,454.56**	**2,006.00**
				3,460.56				**267.00**	**2,273.00**
	ordinary depreciation							**267.00**	
652									
652001	4 office desk Assman Rondana		02/27/2015	2,365.32				1,668.32	697.00
	Horst Höll Büroeinrichtung GmbH, Baden-Baden	13/00	7.69	2,365.32				182.00	879.00
	ordinary depreciation							182.00	
652002	4 filing cabinet Assman Allvi		02/27/2015	2,061.00				1,455.00	606.00
	Horst Höll Büroeinrichtung GmbH, Baden-Baden	13/00	7.69	2,061.00				159.00	765.00
	ordinary depreciation							159.00	
Sum				**4,426.32**				**3,123.32**	**1,303.00**
				4,426.32				**341.00**	**1,644.00**
	ordinary depreciation							**341.00**	
670									

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670041	Vodafone GmbH, Ratingen iPhone 13 mini 128 GB Green	04/12/2023 1/00 100.00	 0.00	349.93 349.93			0.00 349.93	0.00
	ordinary depreciation						349.93	
670042	Horst Höll GmbH, Baden-Baden 3 x office chair	04/05/2023 1/00 100.00	 0.00	1,437.00 1,437.00			0.00 1,437.00	0.00
	ordinary depreciation						1,437.00	
670043	Böttcher AG, Jena-Zöllnitz sliding door wardrobe	04/30/2023 1/00 100.00	 0.00	339.99 339.99			0.00 339.99	0.00
	ordinary depreciation						339.99	
670044	Office Discount GmbH, Neufahrn LED TV	04/28/2023 1/00 100.00	 0.00	409.96 409.96			0.00 409.96	0.00
	ordinary depreciation						409.96	
670045	Delta-V GmbH, Wuppertal 3 x desk	05/05/2023 1/00 100.00	 0.00	1,049.31 1,049.31			0.00 1,049.31	0.00
	ordinary depreciation						1,049.31	
670046	PC Schmiede GmbH, Gaggenau phone S0	08/30/2023 1/00 100.00	 0.00	335.00 335.00			0.00 335.00	0.00
	ordinary depreciation						335.00	
670047	Vodafone GmbH, Ratingen iPhone 14 256 GB	09/25/2023 1/00 100.00	 0.00	521.36 521.36			0.00 521.36	0.00
	ordinary depreciation						521.36	
670048	Vodafone GmbH, Ratingen Galaxy S23 256 GB	12/11/2023 1/00 100.00	 0.00	399.92 399.92			0.00 399.92	0.00
	ordinary depreciation						399.92	
670049	Delta-V GmbH, Wuppertal 3 x office chair	05/05/2023 1/00 100.00	 0.00	1,491.07 1,491.07			0.00 1,491.07	0.00
	ordinary depreciation						1,491.07	
Sum			**0.00** **0.00**	**6,333.54** **6,333.54**			**0.00** **6,333.54**	**0.00** **0.00**
	ordinary depreciation						**6,333.54**	
671								
671017	PC Schmiede GmbH, Gaggenau printer	05/26/2023 1/00 100.00	 0.00	595.00 595.00			0.00 595.00	0.00
	ordinary depreciation						595.00	

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bal.item account invent.	name	ul	date %	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
671018	PC Schmiede GmbH, Gaggenau terra mobile 1516T	1/00	08/30/2023 100.00	 0.00	740.00 740.00			0.00 740.00	0.00
	ordinary depreciation							740.00	
671019	PC Schmiede GmbH, Gaggenau terra pc-micro 5000	1/00	09/28/2023 100.00	 0.00	499.00 499.00			0.00 499.00	0.00
	ordinary depreciation							499.00	
671020	PC Schmiede GmbH, Gaggenau terra mobile 1517	1/00	11/16/2023 100.00	 0.00	635.00 635.00			0.00 635.00	0.00
	ordinary depreciation							635.00	
671021	PC Schmiede GmbH, Gaggenau terra mobile 1516U	1/00	02/13/2024 100.00	 0.00	705.00 705.00			0.00 705.00	0.00
	ordinary depreciation							705.00	
Sum				**0.00** **0.00**	**3,174.00** **3,174.00**			**0.00** **3,174.00**	**0.00** **0.00**
	ordinary depreciation							**3,174.00**	
672									
672020	Amazon Payments Xiaomi Redmi Note 12 pro	1/00	07/06/2023 100.00	 0.00	297.88 297.88			0.00 297.88	0.00
	ordinary depreciation							297.88	
672021	Böttcher AG, Jena workbench	1/00	07/15/2023 100.00	 0.00	419.99 419.99			0.00 419.99	0.00
	ordinary depreciation							419.99	
672022	K.Lean GmbH, Karlsdorf cleaning station	1/00	08/02/2023 100.00	 0.00	542.00 542.00			0.00 542.00	0.00
	ordinary depreciation							542.00	
672023	Casper GmbH, Bad Schwartau Zebra MC2200 scanner	1/00	06/22/2023 100.00	 0.00	587.21 587.21			0.00 587.21	0.00
	ordinary depreciation							587.21	
672024	Casper GmbH, Bad Schwartau Zebra MC2200 scanner	1/00	06/22/2023 100.00	 0.00	587.21 587.21			0.00 587.21	0.00
	ordinary depreciation							587.21	
672025	Casper GmbH, Bad Schwartau Zebra MC2200 scanner	1/00	06/22/2023 100.00	 0.00	587.21 587.21			0.00 587.21	0.00
	ordinary depreciation							587.21	

development of fixed assets
from 04/01/2023 to 03/31/2024

bal.item account invent.	name	ul	date %	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
672026	Casper GmbH, Bad Schwartau Zebra MC2200 scanner	1/00	06/22/2023 100.00	 0.00	587.21 587.21			0.00 587.21	0.00
	ordinary depreciation							587.21	
672027	Casper GmbH, Bad Schwartau Zebra MC2200 scanner	1/00	06/22/2023 100.00	 0.00	587.21 587.21			0.00 587.21	0.00
	ordinary depreciation							587.21	
672028	mobile lifting table HanseLifter SPB500	1/00	11/01/2023 100.00	 0.00	647.06 647.06			0.00 647.06	0.00
	ordinary depreciation							647.06	
672029	PC Schmiede GmbH, Gaggenau 2 x Ubiquiti UniFi G5	1/00	11/14/2023 100.00	 0.00	1,011.00 1,011.00			0.00 1,011.00	0.00
	ordinary depreciation							1,011.00	
672030	Casper GmbH, Bad Schartau Zebra MC2200 scanner	1/00	12/01/2023 100.00	 0.00	570.75 570.75			0.00 570.75	0.00
	ordinary depreciation							570.75	
672031	BITO-Lagertechnik GmbH, Meisenheim tool cabinet	1/00	01/23/2024 100.00	 0.00	302.10 302.10			0.00 302.10	0.00
	ordinary depreciation							302.10	
672032	Nöltner Stahlbau, Bühl guard railings	1/00	02/02/2024 100.00	 0.00	425.00 425.00			0.00 425.00	0.00
	ordinary depreciation							425.00	
672033	Casper GmbH, Bad Schwartau Zebra MC2200 scanner	1/00	02/06/2024 100.00	 0.00	507.34 507.34			0.00 507.34	0.00
	ordinary depreciation							507.34	
672034	PC Schmiede GmbH, Gaggenau Ubiquiti UniFi G5	1/00	03/06/2024 100.00	 0.00	360.00 360.00			0.00 360.00	0.00
	ordinary depreciation							360.00	
672035	Möbelhaus Müller GmbH, Rastatt AEG HUZ 5	1/00	03/01/2024 100.00	 0.00	486.03 486.03			0.00 486.03	0.00
	ordinary depreciation							486.03	
672036	Office Diesount GmbH, Neufahrn 2 x Strong LED TV	1/00	03/13/2024 100.00	 0.00	613.37 613.37			0.00 613.37	0.00
	ordinary depreciation							613.37	

TVS Autoserv GmbH
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development of fixed assets
from 04/01/2023 to 03/31/2024

bal.item account invent.	name	ul	date %	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
672037	PC Schmiede GmbH, Gaggenau Brother MFC	 1/00	03/28/2024 100.00	 0.00	639.82 639.82			0.00 639.82	0.00
	ordinary depreciation							639.82	
Sum				**0.00** **0.00**	**9,758.39** **9,758.39**			**0.00** **9,758.39**	**0.00** **0.00**
	ordinary depreciation							**9,758.39**	
680									
680001	Upgrade meter system Elektrosysteme Schmidt GmbH, Achern	 8/07	10/19/2021 11.65	9,859.02 9,859.02				2,873.02 1,149.00	6,986.00 8,135.00
	ordinary depreciation							1,149.00	
680002	Power connection 200 ampere Stadtwerke Baden-Baden	 8/04	12/15/2021 12.00	9,632.00 9,632.00				2,698.00 1,156.00	6,934.00 8,090.00
	ordinary depreciation							1,156.00	
680003	BAU-COOPERATION, Offenburg wall opening	 7/00	05/04/2023 14.29	 5,300.00	5,300.00			694.00 694.00	4,606.00
	ordinary depreciation							694.00	
Sum				**19,491.02** **24,791.02**	**5,300.00**			**6,265.02** **2,999.00**	**18,526.00** **16,225.00**
	ordinary depreciation							**2,999.00**	
682									
682001	air conditioning Multisplit Huber GmbH, Iffezheim	 8/00	06/23/2016 12.50	5,571.97 5,571.97				5,455.97 697.00	116.00 813.00
	ordinary depreciation							697.00	
682002	Inner fence with gate BAU-CCOPERATION, Offenburg	 9/06	06/30/2020 10.53	1,844.98 1,844.98				744.98 194.00	1,100.00 1,294.00
	ordinary depreciation							194.00	
682003	Air conditioning with assembly BAU-COOPERATION, Offenburg	 8/00	06/30/2020 12.50	14,061.81 14,061.81				6,738.81 1,757.00	7,323.00 9,080.00
	ordinary depreciation							1,757.00	
682004	Retrofit IT intsallation BAU-COOPERATION, Offenburg	 3/00	06/30/2020 33.33	2,963.97 2,963.97				2,962.97 163.00	1.00 164.00
	ordinary depreciation							163.00	

development of fixed assets
from 04/01/2023 to 03/31/2024

bal.item account invent.	name	ul	date %	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
682005	Elektrosysteme Schmidt GmbH, Achern modification hall lighting	6/05	12/15/2023 15.58	 26,000.00	26,000.00			1,351.00 1,351.00	24,649.00
	ordinary depreciation							1,351.00	
Sum				**24,442.73** **50,442.73**	**26,000.00**			**17,253.73** **4,162.00**	**33,189.00** **11,351.00**
	ordinary depreciation							**4,162.00**	
690									
690001	PC-Business 6000 Silent PC Schmiede, Baden-Baden	3/00	09/29/2011 33.33	629.41 0.00	 629.41			0.00 0.00	0.00 1.00
690003	PC Business 5000 + Monitor PC Schmiede, Baden-Baden	3/00	12/02/2011 33.33	597.56 0.00	 597.56			0.00 0.00	0.00 1.00
690004	printer PRI/HPD Laserjet PC Schmiede, Baden-Baden	3/00	03/08/2012 33.33	271.85 0.00	 271.85			0.00 0.00	0.00 1.00
690005	PC Business 5000 PC Schmiede, Baden-Baden	3/00	03/16/2012 33.33	480.49 0.00	 480.49			0.00 0.00	0.00 1.00
690006	printer PRI/KYO/FS -1370DN PC Schmiede, Baden-Baden	3/00	05/11/2012 33.33	243.61 0.00	 243.61			0.00 0.00	0.00 1.00
690008	Software MOS/MIC/Office 2010 PC Schmiede, Baden-Baden	3/00	08/14/2012 33.33	175.63 0.00	 175.63			0.00 0.00	0.00 1.00
690009	Notebook Terra Mobile 1541 PRO PC Schmiede, Baden-Baden	3/00	11/26/2012 33.33	1,168.69 0.00	 1,168.69			0.00 0.00	0.00 1.00
690010	Monitor LED 2455 W HDMI PC Schmiede, Baden-Baden	3/00	11/26/2012 33.33	158.82 0.00	 158.82			0.00 0.00	0.00 1.00
690011	Software MOS/MIC/Office 2010 PC Schmiede, Baden-Baden	3/00	11/26/2012 33.33	175.63 0.00	 175.63			0.00 0.00	0.00 1.00
690012	PC-Business 6000 S PC Schmiede, Baden-Baden	3/00	03/27/2013 33.33	604.20 0.00	 604.20			0.00 0.00	0.00 1.00
690013	Notebook NOT/DEL/Latitude E6440 PC Schmiede, Baden-Baden	3/00	12/04/2013 33.33	1,381.06 0.00	 1,381.06			0.00 0.00	0.00 1.00
690014	color printer PRI/BRO/HL-3140cw PC-Schmiede, Baden-Baden	3/00	02/10/2014 33.33	179.00 0.00	 179.00			0.00 0.00	0.00 1.00
690016	Server Intel i7 4790k second-hand PC Schmiede, Baden-Baden	1/00	10/21/2015 100.00	670.00 0.00	 670.00			0.00 0.00	0.00 1.00
690017	coffee dispenser jura gastro classic Elektro Heeg, Sinzheim	6/00	01/11/2016 16.67	1,466.39 0.00	 1,466.39			0.00 0.00	0.00 1.00

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development of fixed assets
from 04/01/2023 to 03/31/2024

bal.item account invent.	name	ul	date %	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
690019	monitor TERRA LED Greenline Plus PC Schmiede, Baden-Baden	3/00	04/18/2016 33.33	158.82 0.00	 158.82			0.00 0.00	0.00 1.00
690020	monitor and Keyboard PC Schmiede, Baden-Baden	3/00	01/19/2017 33.33	222.51 222.51				221.51 0.00	1.00 1.00
690021	monitor Terra LED 2446W and Mouse PC Schmiede, Baden-Baden	3/00	01/30/2017 33.33	146.21 146.21				145.21 0.00	1.00 1.00
690022	telephone system (transfer lease object) PC Schmiede GmbH & Co. KG, Gaggenau	3/00	06/28/2017 33.33	3,413.02 3,413.02				3,412.02 0.00	1.00 1.00
690023	w-lan router APO/CIC/Cisco Small Business PC Schmiede GmbH & Co. KG, Gaggenau	3/00	06/30/2017 33.33	160.00 160.00				159.00 0.00	1.00 1.00
690024	monitor MON/WOR/TERRA LED 2435W HA PC Schmiede GmbH & Co. KG, Gaggenau	3/00	09/20/2017 33.33	184.03 184.03				183.03 0.00	1.00 1.00
690025	NBB/MIC/Microsoft Surface Book 2 + accessories PC Schmiede GmbH & Co. KG, Gaggenau	3/00	02/28/2018 33.33	2,696.63 2,696.63				2,695.63 0.00	1.00 1.00
690026	it accessories NBA/SON/Microsoft Surface Dock PC Schmiede GmbH & Co. KG, Gaggenau	3/00	03/06/2018 33.33	271.01 271.01				270.01 0.00	1.00 1.00
690027	notebook terra mobile 1515 PC Schmiede GmbH & Co. KG, Gaggenau	3/00	09/06/2018 33.33	1,051.06 1,051.06				1,050.06 0.00	1.00 1.00
690028	server for mailstore datev 2016 R2 PC Schmiede GmbH & Co. KG, Gaggenau	3/00	11/06/2018 33.33	944.00 944.00				943.00 0.00	1.00 1.00
690029	printer PRI/BRO/Brother DCP-9022 PC Schmiede GmbH & Co. KG, Gaggenau	3/00	11/06/2018 33.33	310.00 310.00				309.00 0.00	1.00 1.00
690030	monitor MON/TER/Terra LED 2447W PC Schmiede GmbH & Co. KG, Gaggenau	3/00	11/06/2018 33.33	108.40 108.40				107.40 0.00	1.00 1.00
690031	monitor TERRA LED 2756 Greenline PC Schmiede GmbH & Co. KG, Gaggenau	3/00	11/23/2018 33.33	250.00 250.00				249.00 0.00	1.00 1.00
690032	base station APO/CIS/Cisco Aironet-SAP PC Schmiede GmbH & Co. KG, Gaggenau	3/00	02/15/2019 33.33	5,099.00 5,099.00				5,098.00 1,699.00	1.00 1,700.00
	ordinary depreciation							1,699.00	
690033	terra server 6322 BTO (second hand) PC Schmiede GmbH & Co. KG, Gaggenau	2/00	03/06/2019 50.00	5,099.20 5,099.20				5,098.20 0.00	1.00 1.00
690034	Laptop + docking station NBB DELL XPS PC Schmiede GmbH & Co. KG, Gaggenau	3/00	04/12/2019 33.33	1,834.82 1,834.82				1,833.82 0.00	1.00 1.00
690035	Hardware Terra Server/Accessoiresr (Leas.takeo.) PC Schmiede GmbH & Co. KG, Gaggenau	2/00	10/14/2019 50.00	1,899.80 1,899.80				1,898.80 0.00	1.00 1.00
690036	Wireless base station APO/CIS/Accessories PC Schmiede GmbH & Co. KG, Gaggenau	3/00	01/15/2020 33.33	1,464.18 1,464.18				1,463.18 0.00	1.00 1.00

TVS Autoserv GmbH
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development of fixed assets
from 04/01/2023 to 03/31/2024

bal.item account invent.	name	ul	date %	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
690038	3 Terra PC business (second hand)		06/02/2020	590.00				589.00	1.00
	PC Schmiede GmbH, Gaggenau	2/00	50.00	590.00				0.00	1.00
690039	Time recording system		03/11/2021	3,146.35				3,145.35	1.00
	PC Schmiede Gaggenau, Gaggenau	1/00	100.00	3,146.35				0.00	1.00
690040	Laptop TERRA MOBILE		03/30/2021	1,164.00				1,163.00	1.00
	PC Schmiede GmbH, Gaggenau	1/00	100.00	1,164.00				0.00	1.00
690041	Laptop Terra Mobile 1551		06/30/2021	1,423.45				0.00	0.00
	PC Schmiede GmbH & Co.KG, Gaggenau	1/00	100.00	0.00	1,423.45			0.00	0.00
690042	Accesspoints & Switch		03/30/2022	4,074.50				4,074.50	0.00
	PC Schmiede GmbH & Co.KG, Gaggenau	1/00	100.00	4,074.50				0.00	0.00
690043	PC Schmiede GmbH & Co.KG, Gaggenau		12/05/2022	1,171.00				196.00	975.00
	new directional radio	8/00	12.50	1,171.00				147.00	1,122.00
	ordinary depreciation							147.00	
690044	TVS SCS GmbH, Baden-Baden		12/12/2022	1,120.00				1,120.00	0.00
	Laptop	1/00	100.00	1,120.00				0.00	0.00
690045	PC Schmiede GmbH & Co.KG, Gaggenau		12/15/2022	2,790.00				2,790.00	0.00
	Laptop	1/00	100.00	2,790.00				0.00	0.00
690046	PC Schmiede GmbH & Co.KG, Gaggenau		01/04/2023	1,200.00				1,200.00	0.00
	Fujitsu server	1/00	100.00	1,200.00				0.00	0.00
690047	PC Schmiede GmbH, Gaggenau		05/17/2023		1,130.00			1,130.00	0.00
	laptop		100.00	1,130.00				1,130.00	
	ordinary depreciation							1,130.00	
690048	PC Schmiede GmbH, Gaggenau		09/29/2023		1,015.00			1,015.00	0.00
	terra mibile 1517		100.00	1,015.00				1,015.00	
	ordinary depreciation							1,015.00	
690049	PC Schmiede GmbH, Gaggenau		10/26/2023		1,651.40			275.40	1,376.00
	label printer	3/00	33.33	1,651.40				275.40	
	ordinary depreciation							275.40	
690050	PC Schmiede GmbH, Gaggenau		11/22/2023		952.49			952.49	0.00
	terra mobile 1516U		100.00	952.49				952.49	
	ordinary depreciation							952.49	
Sum				**50,194.33**	**4,748.89**			**42,787.61**	**2,371.00**
				45,158.61	**9,784.61**			**5,218.89**	**2,856.00**
	ordinary depreciation							**5,218.89**	
692									

development of fixed assets
from 04/01/2023 to 03/31/2024

bal.item account invent.	name	ul / date %	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
692001	server and licenses PC Schmiede, Baden-Baden	12/04/2014 3/00 33.33	1,926.95 0.00	 1,926.95			0.00 0.00	0.00 1.00
692002	additional licenses PC Schmiede, Baden-Baden	12/16/2014 3/00 33.33	474.00 0.00	 474.00			0.00 0.00	0.00 1.00
692003	Software MOS/MIC/Office Professional 2013 PC Schmiede, Baden-Baden	01/02/2015 3/00 33.33	452.94 0.00	 452.94			0.00 0.00	0.00 1.00
692004	Monitor WOR/TERRA LED 2455W ADS black PC Schmiede, Baden-Baden	05/15/2015 3/00 33.33	167.23 0.00	 167.23			0.00 0.00	0.00 1.00
692005	safety equipment GSM Vescor Sicherheitstechnik, Bühl	06/05/2015 8/00 12.50	935.52 935.52				934.52 18.00	1.00 19.00
	ordinary depreciation						18.00	
Sum			**3,956.64** **935.52**	 **3,021.12**			**934.52** **18.00**	**1.00** **23.00**
	ordinary depreciation						**18.00**	
693								
693001	Notebook Terra Mobile 1513P PC Schmiede, Baden-Baden	10/08/2015 3/00 33.33	788.20 0.00	 788.20			0.00 0.00	0.00 1.00
693002	Notebook Terra Mobile 1513P Intel PC Schmiede, Baden-Baden	12/16/2015 3/00 33.33	746.20 0.00	 746.20			0.00 0.00	0.00 1.00
693003	Notebook Terra Mobile 1548Q Intel PC Schmiede, Baden-Baden	02/22/2016 3/00 33.33	1,355.37 0.00	 1,355.37			0.00 0.00	0.00 1.00
693004	2 Notebooks TERRA Mobile + 2 printer + 2 licences PC Schmiede, Baden-Baden	04/04/2016 3/00 33.33	2,263.82 0.00	 2,263.82			0.00 0.00	0.00 1.00
693005	Notebook 1513S + Monitor + Keyboard + licenses PC Schmiede, Baden-Baden	07/05/2016 3/00 33.33	921.76 0.00	 921.76			0.00 0.00	0.00 1.00
693006	hardware for IT projekt TVS cabling PC Schmiede GmbH & Co. KG, Gaggenau	04/24/2018 3/00 33.33	1,307.60 0.00	 1,307.60			0.00 0.00	0.00 1.00
693007	Vodafone GmbH, Ratingen iPhone 15 Pro 512 GB	02/12/2024 5/00 20.00	 921.36	921.36 			31.36 31.36	890.00
	ordinary depreciation						31.36	
Sum			**7,382.95** **921.36**	**921.36** **7,382.95**			**31.36** **31.36**	**890.00** **6.00**
	ordinary depreciation						**31.36**	

development of fixed assets
from 04/01/2023 to 03/31/2024

bal.item account invent.	name	ul	date %	ac/pc 04/01/2023 ac/pc 03/31/2024	addition disposal	transfer write-up	ac/pc-Abzug	acc. deprec. depreciation	bv 03/31/2024 bv 03/31/2023
Sum	**Other equipment, factory and office equipment**			**404,449.42** **647,287.64**	**97,155.05** **45,370.61**	**191,053.78**		**172,866.64** **74,443.83**	**474,421.00** **262,133.00**
	ordinary depreciation							**74,443.83**	
2.	**Payments on account and assets under construction**								
785									
785001	Ibelo GmbH & Co.KG, Oberkirch shelf warehouse		11/16/2023 0.00	0.00	191,053.78	-191,053.78		0.00 0.00	0.00
Sum				**0.00** **0.00**	**191,053.78**	**-191,053.78**		**0.00** **0.00**	**0.00** **0.00**
Sum	**Payments on account and assets under construction**			**0.00** **0.00**	**191,053.78**	**-191,053.78**		**0.00** **0.00**	**0.00** **0.00**
Sum	**Tangible assets**			**404,449.42** **647,287.64**	**288,208.83** **45,370.61**			**172,866.64** **74,443.83**	**474,421.00** **262,133.00**
	ordinary depreciation							**74,443.83**	
Total	**Assets**			**465,660.91** **717,978.85**	**299,788.55** **47,470.61**			**216,756.85** **88,953.55**	**501,222.00** **291,865.00**
	ordinary depreciation							**88,953.55**	

TVS Logistics Iberia, S. L

FY 2023-24

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C&P

INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL ACCOUNTS

To the Sole Partner of: **TVS LOGISTICS IBERIA, S.L. –Sole Proprietor Limited Company-**

Opinion

We have audited the annual accounts of TVS LOGISTICS IBERIA, S.L. –Sole Proprietor Limited Company-. (the Company), which comprise the balance sheet as at March 31, 2024, the profit and loss account, statement of changes in equity, cash flow statement and annual report for the year then ended.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of the Company as at March 31, 2024, as well as its financial performance and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in note 2.b of the annual report), and, in particular, with the accounting principles and criteria included therein.

Basis for opinion

We conducted our audit in accordance the legislation governing the audit practice in force in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities* for the audit of the annual accounts section of our report.

We are independent of the Company in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the annual accounts in Spain, in accordance with the legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, nor have situations or circumstances arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion with qualifications.

Key audit matters

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

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Risk in the valuation and identification of non-operating assets

Risk

The balance sheet as at March 31, 2024 includes balances corresponding to trade receivables for a total net value of 6,280 thousand euros. This accounts for 55.68% of the Company's total assets at that date. In addition, a very significant part of that balance (84.70%) is outstanding risk held with a single client. This could have an impact on credit risk in the event of any possible loss arising from the failure to comply with contractual obligations between the Company and any of its clients, i.e. the possibility of not recovering the outstanding balances at the amount registered and within the established period.

For these purposes, note 4.f.2) to the accompanying notes to the financial statements describes the criteria used by the Company to assess and control the condition of these assets. The Company's management estimates the future cash receivable from its customers. Possible provisions are recorded based on historical experience of the recovery levels of accounts receivable by category according to their age. This analysis shows that the company has impaired trade balances with clients amounting to 634 thousand euros.

Auditor's response

We have evaluated the design and implementation of the key controls in the collection process and those used to generate the data related to the impairment model.

We have also reviewed and questioned the information used to determine the provision for impairment of accounts receivable, comparing their effective recoverability with the historical trend and the change in non-collectable balances over time. Specifically, we have reviewed slow-moving receivables during the year using data analysis to understand the level of recovery of old receivables and recalculate the debt age analysis.

Other information: Management report

Other information refers exclusively to the 2023 management report, the preparation of which is the responsibility of the sole administrator and is not an integral part of the annual accounts.

Our opinion on the annual accounts does not cover the management report. Our responsibility regarding the information contained in the management report, in accordance with the legislation governing the audit practice, consists of assessing and reporting on the consistency of the management report with the annual accounts based on the knowledge of the Company obtained in the course of auditing the said statements; and assessing and reporting on whether the content and presentation of this management report are in conformity with applicable regulations. If, based on the work carried out, we conclude that there are material misstatements, we are required to disclose them.

Based on the work performed, as described before, we can confirm that the information contained in the management report is consistent with that provided in the 2023 annual accounts and, that its content and presentation are in conformity with applicable regulations.

Responsibility of the sole administrator for the annual accounts

The sole administrator is responsible for the preparation of the accompanying annual accounts, such that they fairly present the equity, financial position and financial performance of the Company, in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the sole administrator determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the sole administrator is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the administrator intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.
Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with legislation governing the audit practice in Spain 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 annual accounts.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

C&P

We communicate with the Company's directors 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.

From the matters communicated with the Company's directors, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

CORTÉS & PÉREZ AUDITORES Y ASESORES ASOCIADOS, S.L.
(Registered in the Official Auditors' Register under number S-0511)

Signed:
MIQUEL HERNANDEZ TORRALBA
Certified Public Accountant
(Registered in the Official Auditors' Register under number 3.561)

Barcelona, 31 May 2024

C&P

TVS LOGISTICS IBERIA, S.L.
-Sole Proprietor Limited Company-

Annual Accounts of the Company
at 31 March 2024

Legal Status:

Public Limited Company:		
Limited Liability Company	X	
Others:		
LAST FIGURE CURRENT YEAR (COVER):	2023	
LAST FIGURE PREVIOUS YEAR (COVER):	2022	
LAST FIGURE CURRENT YEAR (BALANCE SHEETS):	2023	
LAST FIGURE PREVIOUS YEAR (BALANCE SHEETS):	2022	
HEADING CURRENT YEAR :	2023	
HEADING PREVIOUS YEAR :	2022	
Tax No.:	B-63670863	
COMPANY NAME:	TVS LOGISTICS IBERIA, S.L.	- Sole Propietor L
REGISTERED OFFICES :	C/ Cent Tretze, nº10. Pol.Ind. PRATENC	
MUNICIPALITY :	EL PRAT DE LLOBREGAT	
PROVINCE:	BARCELONA	
POSTCODE :	08820	
TELEPHONE:		

Belonging to group of companies:

Direct parent company:	TVS LOGISTICS INVESTMENT UK LIMITED
Tax No. direct parent company:	N8262128E
Ultimate parent company of group:	TVS LOGISTICS INVESTMENT UK LIMITED
Tax No. ultimate parent company of group:	N8262128E
CORE ACTIVITY :	Logistics services
CNAE CODE :	5229

Average number of employees during the year, broken down by type of contract and sex:

PERMANENT STAFF YEAR N :

PERMANENT STAFF YEAR N-1 :

NON-PERMANENT STAFF YEAR N :

NON-PERMANENT STAFF YEAR N-1 :

STAFF WITH DISABILITY HIGHER THAN 33% (or local equivalent) YEAR N:

STAFF WITH DISABILITY HIGHER THAN 33% (or local equivalent) YEAR N-1:

Personnel at year end, broken down by type of contract and sex:

PERMANENT STAFF (MEN) YEAR N :

NON PERMANENT STAFF (MEN) YEAR N :

PERMANENT STAFF (WOMEN) YEAR N :

NON PERMANENT STAFF (WOMEN) YEAR N :

PERMANENT STAFF (MEN) YEAR N-1 :

NON PERMANENT STAFF (MEN) YEAR N-1 :

PERMANENT STAFF (WOMEN) YEAR N-1 :

NON PERMANENT STAFF (WOMEN) YEAR N-1 :

ACCOUNTS START DATE (YEAR) :	2023
ACCOUNTS START DATE (MONTH) :	4
ACCOUNTS START DATE (DAY) :	1
ACCOUNTS CLOSING DATE (YEAR) :	2024
ACCOUNTS CLOSING DATE (MONTH) :	3
ACCOUNTS CLOSING DATE (DAY) :	31
ACCOUNTS START DATE PREV. YEAR (YEAR):	2022
ACCOUNTS START DATE PREV. YEAR (MONTH) :	4
ACCOUNTS START DATE PREV. YEAR (DAY):	1
ACCOUNTS CLOSING DATE PREV. YEAR (YEAR):	2023
ACCOUNTS CLOSING DATE PREV. YEAR (MONTH) :	3
ACCOUNTS CLOSING DATE PREV. YEAR (DAY):	31
NUMBER OF PAGES PRESENTED DEPOSIT:	54

Reason why figures do not appear in a certain year:

UNITS OF THE ANNUAL ACCOUNTS. (EUROS) :	x
UNITS OF THE ANNUAL ACCOUNTS. (THOUSANDS) :	
UNITS OF THE ANNUAL ACCOUNTS. (MILLIONS) :	

NORMAL BALANCE SHEET

B-63670863		UNIT (1):
		Euros: 09001 X
COMPANY NAME:		Thousand: 09002
TVS LOGISTICS IBERIA, S.L. - Sole Propietor Ltd Company -		Million: 09003

ASSETS		NOTES TO THE ANNUAL REPORT	2023	2022
A) NON-CURRENT ASSETS	**11000**		**1,992,225.02**	**1,994,368.33**
I. Intangible fixed assets	**11100**	**Nº 5**	**544,076.24**	**400,641.97**
1. Development	11110		95,167.37	
2. Concessions	11120			
3. Patents, licenses, trademarks and similar	11130		18,601.73	33,193.36
4. Goodwill	11140			
5. Computer applications	11150		430,307.14	367,448.61
6. Research	11160			
7. Intellectual property rights	11180			
8. Other intangible fixed assets	11170			
II. Tangible fixed assets	**11200**	**Nº 6**	**793,614.04**	**838,869.89**
1. Land and Constructions	11210			
2. Technical installations and other tangible fixed assets	11220		793,614.04	838,869.89
3. Work in progress and advances	11230			
III. Real estate investments	**11300**			
1. Land	11310			
2. Buildings	11320			
IV. Long term investments in group and associated companies	**11400**			
1. Equity instruments	11410			
2. Credits to companies	11420			
3. Securities representing debt	11430			
4. Derivates	11440			
5. Other financial assets	11450			
6. Other investments	11460			
V. Long term financial investments	**11500**	**Nº 8**	**653,891.31**	**753,891.31**
1. Equity instruments	11510			
2. Credits to third parties	11520		283,333.38	383,333.38
3. Securities representing debt	11530			
4. Derivates	11540			
5. Other financial assets	11550		370,557.93	370,557.93
6. Other investments	11560			
VI. Deferred tax assets	**11600**	**Nº 9 + 20.c)**	**643.43**	**965.16**
VII. Non-current trade debtors	**11700**			

NORMAL BALANCE SHEET

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.

- Sole Propietor Ltd Company -

ASSETS		NOTES TO THE ANNUAL REPORT	2023	2022
B) CURRENT ASSETS	**12000**		**13,056,186.86**	**10,864,199.85**
I. Non-current assets held for sale	**12100**	**Nº 10**		**126,667.93**
II. Stocks	**12200**	**Nº 11**	**3,337,677.11**	**2,661,562.04**
1. Sales staff	**12210**		2,271,828.03	2,054,361.04
2. Raw materials and other supplies	**12220**		336,351.08	
a) Long term raw materials and other supplies	**12221**			
b) Short term raw materials and other supplies	**12222**		336,351.08	
3. Products in progress	**12230**		729,498.00	607,201.00
a) Long production cycle	**12231**			
b) Short production cycle	**12232**		729,498.00	607,201.00
4. Finished products	**12240**			
a) Long production cycle	**12241**			
b) Short production cycle	**12242**			
5. Subproducts, wastes and materials recovered	**12250**			
6. Advances to suppliers	**12260**			
III. Trade debtors and other accounts receivable	**12300**	**Nº 12**	**8,430,407.55**	**6,381,710.63**
1. Clients from sales and services	**12310**		8,378,093.66	6,263,092.77
a) Clients from long term sales and services	**12311**			
b). Clients from short term sales and services	**12312**		8,378,093.66	6,263,092.77
2. Clients, group and associated companies	**12320**		1,474.54	5,199.13
3. Miscellaneous debtors	**12330**		5,617.43	7,778.82
4. Personnel	**12340**			
5. Current tax assets	**12350**			
6. Other credits with Public Authorities	**12360**	**Nº 20.d**	45,221.92	105,639.91
7. Shareholders from required payments	**12370**			
IV. Short term investments in group and associated companies	**12400**			
1. Equity instruments	**12410**			
2. Credits to companies	**12420**			
3. Securities representing debt	**12430**			
4. Derivates	**12440**			
5. Other financial assets	**12450**			
6. Other investments	**12460**			

NORMAL BALANCE SHEET

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.

- Sole Propietor Ltd Company -

ASSETS		NOTES TO THE ANNUAL REPORT	2023	2022
V. Short term financial investments	**12500**	**Nº 13**	**100,000.00**	**101,304.96**
1. Equity instruments	**12510**			
2. Credits to companies	**12520**		100,000.00	101,304.96
3. Securities representing debt	**12530**			
4. Derivatives	**12540**			
5. Other financial assets	**12550**			
6. Other investments	**12560**			
VI. Short term prepayment and accrued expenses	**12600**		**226,688.53**	**38,877.00**
VII. Cash and other equivalent liquid assets	**12700**		**961,413.67**	**1,554,077.29**
1. Cash and Banks	**12710**		961,413.67	1,554,077.29
2. Cash and other equivalent liquid assets	**12720**			
TOTAL ASSETS (A+B)	**10000**		**15,048,411.88**	**12,858,568.18**

NORMAL BALANCE SHEET

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.

- Sole Propietor Ltd Company -

EQUITY AND LIABILITIES		NOTES TO THE ANNUAL REPORT	2023	2022
A) EQUITY	20000		3,275,120.35	3,223,173.91
A-1) Shareholders' equity	21000	Nº 15	3,275,120.35	3,223,173.91
I. Capital	21100		200,000.00	200,000.00
1. Registered capital	21110		200,000.00	200,000.00
2. (Uncalled capital)	21120			
II. Issue premium	21200			
III. Reserves	21300		2,873,173.91	2,404,241.18
1. Legal and statutory	21310		40,000.00	40,000.00
2. Other reserves	21320		2,833,173.91	2,364,241.18
3. Revaluation reserve	21330			
4. Capitalization reserve	21350			
IV. (Own shares)	21400			
V. Results from previous years	21500			
1. Remainder	21510			
2. (Results from previous years)	21520			
VI. Other shareholders' contributions	21600		150,000.00	150,000.00
VII. Result for the year	21700	Nº 3	51,946.44	468,932.73
VIII. (Interim dividend)	21800			
IX. Other equity instruments	21900			
A-2) Adjustments from changes in value	22000			
I. Financial assets available for sale	22100			
II. Hedging operations	22200			
III. Non-current assets and rel. liabilities, kept for sale	22300			
IV. Conversion differences	22400			
V. Others	22500			
A-3) Subsidies, donations and legacies received	23000			
B) NON-CURRENT LIABILITIES	31000	Nº 16	3,834,486.50	3,767,302.16
I. Long term provisions	31100		15,458.03	9,451.00
1. Obligations from long-term services to staff	31110			
2. Environmental action	31120			
3. Restructuring provisions	31130			
4. Other provisions	31140		15,458.03	9,451.00
II. Long-term debts	31200			
1. Bonds and other marketable securities	31210			

NORMAL BALANCE SHEET

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.

- Sole Propietor Ltd Company -

EQUITY AND LIABILITIES		NOTES TO THE ANNUAL REPORT	2023	2022
2. Debts with credit entities	31220			
3. Creditors from financial leasing	31230			
4. Derivatives	31240			
5. Other financial liabilities	31250			
III. Long-term debts with group and associated companies	31300		**3,819,028.47**	**3,757,851.16**
IV. Deferred tax liabilities	31400			
V. Long term prepayments and accrued income	31500			
VI. Non-current trade creditors	31600			
VII. Long term debt with special characteristics	31700			
C) CURRENT LIABILITIES	32000		**7,938,805.03**	**5,868,092.11**
I. Rel. liabilities with non-current assets, kept for sale	32100			
II. Short-term provisions	32200		5,178.49	4,095.21
1. Provisions for greenhouse gas emission allowances	33210			
2. Other provisions	33220		5,178.49	4,095.21
III. Short-term debts	32300	Nº 17	**134,250.36**	**15,855.88**
1. Bonds and other marketable securities	32310			
2. Debts with credit entities	32320		136,308.14	15,855.88
3. Creditors from financial leasing	32330			
4. Derivatives	32340			
5. Other financial liabilities	32350		(2,057.78)	
IV. Short-term debts with group and associated companies	32400			
V. Trade creditors and other accounts payable	32500	Nº 18	**7,493,005.20**	**5,639,476.46**
1. Suppliers	32510		2,064,015.63	2,056,412.74
a) Long term suppliers	32511			
b) Short term suppliers	32512		2,064,015.63	2,056,412.74
2. Suppliers, group and associated companies	32520		245,533.51	85,007.62
3. Miscellaneous creditors	32530		4,550,613.11	3,014,688.70
4. Personnel (accrued wages and salaries)	32540		103,755.86	79,050.14
5. Current tax liabilities	32550		31,707.23	154,715.72
6. Other debts with Public Authorities	32560	Nº 20.e)	498,143.01	250,364.69
7. Client advances	32570		(763.15)	(763.15)
VI. Short-term prepayments and accrued income	32600		306,370.98	208,664.56
VII. Short term debts with special characteristics	32700			
TOTAL EQUITY AND LIABILITIES (A+B+C)	30000		**15,048,411.88**	**12,858,568.18**

NORMAL PROFIT AND LOSS ACCOUNT

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.
- Sole Propietor Ltd Company -

(DEBIT)/CREDIT		NOTES TO THE ANNUAL REPORT	2023	2022
A) CONTINUED OPERATIONS				
1 Net turnover	40100	Nº 21.a)	**27,765,016.87**	**23,809,758.68**
a) Sales	40110		10,167,556.29	7,267,624.46
b) Carrying out of services	40120		17,597,460.58	16,542,134.22
c) Holding companies financial incomes	40130			
2 Variation in stocks of finished prod. and prod. in process of manuf.	40200		(38,583.00)	(152,303.59)
3 Works performed by company for its assets	40300		171,476.18	143,969.39
4 Supplies	40400	Nº 21.b)	**(21,242,138.98)**	**(18,321,243.50)**
a) Consumption of goods	40410		(8,424,444.60)	(5,546,506.69)
b) Consumption of raw materials and other consumables	40420			
c) Works performed by other companies	42430		(12,806,694.38)	(12,782,232.59)
d) Deterioration in goods, raw materials and other supplies	40440		(11,000.00)	7,495.78
5 Other operating income	40500		**102,222.07**	**82,911.52**
a) Complementary income and other normally managed income	40510		95,122.55	78,750.82
b) Operating subsidies incorp. to result for the year	40520		7,099.52	4,160.70
6 Personnel expenses	40600	Nº 21.c)	**(4,039,293.33)**	**(3,068,479.06)**
a) Wages, salaries and related expenses	40610		(3,034,037.24)	(2,266,279.13)
b) Social security	40620		(1,005,256.09)	(802,199.93)
c) Provisions	40630			
7 Other operating expenses	40700	Nº 21.d)	**(1,740,795.43)**	**(1,527,660.07)**
a) External services	40710		(1,331,977.77)	(1,500,673.26)
b) Taxes	40720		(104,113.50)	(123,616.15)
c) Losses, deterioration and variation of provisions for trade operations	40730		(304,704.52)	96,629.34
d) Other normal management expenses	40740		0.36	
e) Expenses for greenhouse gas emission allowances	40750			
8 Depreciation of fixed assets	40800		**(331,562.19)**	**(285,157.88)**
9 Allocation of subsidies from non-fin. assets and others	40900			
10 Surplus provisions	41000			
11 Impairment and income from sales of fixed assets	41100			**630.00**
a) Impairments and losses	41110			
b) Income from sales and others	41120			630.00
c) Impairment and income from sales of fixed assets in holding companies	41130			
12 Negative differences from combinations of businesses	41200			

NORMAL PROFIT AND LOSS ACCOUNT

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.
- Sole Propietor Ltd Company -

DEBIT		NOTES TO THE ANNUAL REPORT	2023	2022
13 Other results	41300			
A.1) OPERATING RESULT FOR THE YEAR (1+2+3+4+5+6+7+8+9+10+11+12+13)	49100		**646,342.19**	**682,425.49**
14 Financial income	41400		**17,779.78**	**21,160.94**
a) From shareholdings in equity instruments	41410			
a.1) Holdings in group and associated companies	41411			
a.2) Third parties	41412			
b) Marketable securities and other financial instruments	41420		17,779.78	21,160.94
b.1) From group and associated companies	41421			
b.2) From third parties	41422		17,779.78	21,160.94
c) Allocation of subsidies, donations and legacies of a financial nature	41430			
15 Financial expenses	41500		**(445,532.86)**	**(216,704.03)**
a) From debt with group and associate companies	41510		(242,018.31)	(100,842.45)
b) From debts with third parties	41520		(203,514.55)	(115,861.58)
c) From adjustment of provisions	41530			
16 Variation in fair value in financial instruments	41600			
a) Trading portfolio and others	41610			
b) Posting to result for year from disp. act. for sale	41620			
17 Foreign exchange differences	41700		(133,048.23)	130,790.71
18 Impairment and income from sales of fixed assets	41800			
a) Impairments and losses	41810			
b) Income from sales and others	41820			
19. Other financial income and expenses	42100			
a) Capitalisation of financial expenses	42110			
b) Financial income arising from creditors' arrangements	42120			
c) Rest of income and expenses	42130			
A.2) FINANCIAL INCOME (14+15+16+17+18+19)	49200		**(560,801.31)**	**(64,752.38)**
A.3) PROFIT BEFORE TAX (A.1+A.2)	49300		**85,540.88**	**617,673.11**
20. Corporation tax	41900	Nº 20.a)	(33,594.44)	(148,740.38)
A.4) RES. FROM YEAR DER. FROM CONT. OPERAT (A.3+20)	49400		**51,946.44**	**468,932.73**
B) DISCONTINUED OPERATIONS				
21. Result from year deriving from discontinued operations net of tax	42000			
A.5) RESULT FOR THE YEAR (A.4+21)	49500	Nº 3	**51,946.44**	**468,932.73**

NORMAL STATEMENT OF CHANGES IN EQUITY

A) Statement of income and expenses recognised over the year

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.
- Sole Propietor Ltd Company -

		NOTES TO THE ANNUAL REPORT	2023	2022
A) RESULT OF PROFIT AND LOSS ACCOUNT	59100		51,946.44	468,932.73
INC. AND EXPENSES DIRECTLY ALLOCATED TO EQUITY				
I. Through valuation of financial instruments	50010			
1. Available-for-sale financial assets	50011			
2. Other income/expenses	50012			
II. From cash flow hedging	50020			
III. Subsidies, donations and legacies received	50030			
IV. From actuarial gains and losses and other adjustments	50040			
V. From non-current assets and rel. liabilities, kept for sale	50050			
VI. Conversion differences	50060			
VII. Tax effect	50070			
B) Total income and expenses posted directly in equity (I+II+III+IV+V+VI+VII)	59200			
TRANSFERS TO PROFIT AND LOSS ACCOUNT				
VIII. Through valuation of financial instruments	50080			
1. Available-for-sale financial assets	50081			
2. Other income/expenses	50082			
IX. From cash flow hedging	50090			
X Subsidies, donations and legacies received	50100			
XI. From non-current assets and rel. liabilities, kept for sale	50110			
XII. Conversion differences	50120			
XIII. Tax effect	50130			
C) Total transfers to profit and loss account (VIII+IX+X+XI+XII+XIII)	59300			
TOTAL INCOME AND EXPENSES RECOGNISED (A+B+C)	59400		51,946.44	468,932.73

NORMAL STATEMENT OF CHANGES IN EQUITY
B) Total statement of changes in net equity

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.
- Sole Propietor Ltd Company -

			CAPITAL		ISSUE PREMIUM
			REGISTERED	(UNCALLED)	
			1	2	3
A) BALANCE, END OF YEAR :	**2021**	**511**	**200,000.00**		
I. Adjustments from changes of criteria over year 2021 and previous years		**512**			
II. Adjustments of errors over year 2021 and previous years		**513**			
B) ADJUSTED BALANCE, START YEAR:	**2022**	**514**	**200,000.00**		
I. Total recognised income and expenses		**515**			
II. Operations with shareholders or owners		**516**			
1 Capital increases		**517**			
2 (-) Capital reductions		**518**			
3 Conversion of financial liabilities into equity (conversion of bonds, condoning of debt)		**519**			
4 (-) Distribution of dividends		**520**			
5 Operations with own shares (net)		**521**			
6 Increase (reduction) of equity caused by a combination of businesses		**522**			
7 Other operations with shareholders or owners		**523**			
III. Other variations in net equity		**524**			
1 Revaluation reserve variations		**531**			
2 Other variations		**532**			
C) BALANCE, END OF YEAR :	**2022**	**511**	**200,000.00**		
I. Adjustments from changes of criteria over year 2022		**512**			
II. Adjustments of errors over year:	**2022**	**513**			
D) ADJUSTED BALANCE, START YEAR:	**2023**	**514**	**200,000.00**		
I. Total recognised income and expenses		**515**			
II. Operations with shareholders or owners		**516**			
1 Capital increases		**517**			
2 (-) Capital reductions		**518**			
3 Conversion of financial liabilities into equity (conversion of bonds, condoning of debt)		**519**			
4 (-) Distribution of dividends		**520**			
5 Operations with own shares (net)		**521**			
6 Increase (reduction) of equity caused by a combination of businesses		**522**			
7 Other operations with shareholders or owners		**523**			
III. Other variations in net equity		**524**			
1 Revaluation reserve variations		**531**			
2 Other variations		**532**			
E) BALANCE, END OF YEAR :	**2023**	**525**	**200,000.00**		

NORMAL STATEMENT OF CHANGES IN EQUITY

B) Total statement of changes in net equity

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.

- Sole Propietor Ltd Company -

			RESERVES	(OWN SHARES & HOLDINGS IN EQUITY)	RESULTS FROM PREVIOUS YEARS
			4	5	6
A) BALANCE, END OF YEAR :	**2021**	511	**2,124,412.89**		
I. Adjustments from changes of criteria over year 2021 and previous years		512			
II. Adjustments of errors over year and previous years	**2021**	513	(8,312.30)		
B) ADJUSTED BALANCE, START YEAR:	**2022**	514	**2,116,100.59**		
I. Total recognised income and expenses		515			
II. Operations with shareholders or owners		516			
1 Capital increases		517			
2 (-) Capital reductions		518			
3 Conversion of financial liabilities into equity (conversion of bonds, condoning of debt)		519			
4 (-) Distribution of dividends		520			
5 Operations with own shares (net)		521			
6 Increase (reduction) of equity caused by a combination of businesses		522			
7 Other operations with shareholders or owners		523			
III. Other variations in net equity		524	**288,140.59**		
1 Revaluation reserve variations		531			
2 Other variations		532	288,140.59		
C) BALANCE, END OF YEAR :	**2022**	511	**2,404,241.18**		
I. Adjustments from changes of criteria over year 2022		512			
II. Adjustments of errors over year:	**2022**	513			
D) ADJUSTED BALANCE, START YEAR:	**2023**	514	**2,404,241.18**		
I. Total recognised income and expenses		515			
II. Operations with shareholders or owners		516			
1 Capital increases		517			
2 (-) Capital reductions		518			
3 Conversion of financial liabilities into equity (conversion of bonds, condoning of debt)		519			
4 (-) Distribution of dividends		520			
5 Operations with own shares (net)		521			
6 Increase (reduction) of equity caused by a combination of businesses		522			
7 Other operations with shareholders or owners		523			
III. Other variations in net equity		524	**468,932.73**		
1 Revaluation reserve variations		531			
2 Other variations		532	468,932.73		
E) BALANCE, END OF YEAR :	**2023**	525	**2,873,173.91**		

NORMAL STATEMENT OF CHANGES IN EQUITY
B) Total statement of changes in net equity

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.
- Sole Propietor Ltd Company -

		OTHERS CONTRIB. FROM SHAREHOLDERS	RESULT FOR YEAR	(DIVIDEND TO ACCOUNT)
		7	8	9
A) BALANCE, END OF YEAR : 2021	511	150,000.00	288,140.59	
I. Adjustments from changes of criteria over year 2021 and previous years	512			
II. Adjustments of errors over year 2021 and previous years	513			
B) ADJUSTED BALANCE, START YEAR: 2022	514	150,000.00	288,140.59	
I. Total recognised income and expenses	515		468,932.73	
II. Operations with shareholders or owners	516			
1 Capital increases	517			
2 (-) Capital reductions	518			
3 Conversion of financial liabilities into equity (conversion of bonds, condoning of debt)	519			
4 (-) Distribution of dividends	520			
5 Operations with own shares (net)	521			
6 Increase (reduction) of equity caused by a combination of businesses	522			
7 Other operations with shareholders or owners	523			
III. Other variations in net equity	524		(288,140.59)	
1 Revaluation reserve variations	531			
2 Other variations	532		(288,140.59)	
C) BALANCE, END OF YEAR : 2022	511	150,000.00	468,932.73	
I. Adjustments from changes of criteria over year 2022	512			
II. Adjustments of errors over year: 2022	513			
D) ADJUSTED BALANCE, START YEAR: 2023	514	150,000.00	468,932.73	
I. Total recognised income and expenses	515		51,946.44	
II. Operations with shareholders or owners	516			
1 Capital increases	517			
2 (-) Capital reductions	518			
3 Conversion of financial liabilities into equity (conversion of bonds, condoning of debt)	519			
4 (-) Distribution of dividends	520			
5 Operations with own shares (net)	521			
6 Increase (reduction) of equity caused by a combination of businesses	522			
7 Other operations with shareholders or owners	523			
III. Other variations in net equity	524		(468,932.73)	
1 Revaluation reserve variations	531			
2 Other variations	532		(468,932.73)	
E) BALANCE, END OF YEAR : 2023	525	150,000.00	51,946.44	

NORMAL STATEMENT OF CHANGES IN EQUITY
B) Total statement of changes in net equity

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.
- Sole Propietor Ltd Company -

			OTHER EQUITY INSTRUMENTS	ADJUSTMENTS FROM CHANGE OF VALUE	SUBS., DONATIONS AND LEGACIES RECEIVED
			10	11	12
A) BALANCE, END OF YEAR :	**2021**	**511**			
I. Adjustments from changes of criteria over year 2021 and previous years		**512**			
II. Adjustments of errors over year and previous years	**2021**	**513**			
B) ADJUSTED BALANCE, START YEAR:	**2022**	**514**			
I. Total recognised income and expenses		**515**			
II. Operations with shareholders or owners		**516**			
1 Capital increases		**517**			
2 (-) Capital reductions		**518**			
3 Conversion of financial liabilities into equity (conversion of bonds, condoning of debt)		**519**			
4 (-) Distribution of dividends		**520**			
5 Operations with own shares (net)		**521**			
6 Increase (reduction) of equity caused by a combination of businesses		**522**			
7 Other operations with shareholders or owners		**523**			
III. Other variations in net equity		**524**			
1 Revaluation reserve variations		**531**			
2 Other variations		**532**			
C) BALANCE, END OF YEAR :	**2022**	**511**			
I. Adjustments from changes of criteria over year 2022		**512**			
II. Adjustments of errors over year:	**2022**	**513**			
D) ADJUSTED BALANCE, START OF YE/	**2023**	**514**			
I. Total recognised income and expenses		**515**			
II. Operations with shareholders or owners		**516**			
1 Capital increases		**517**			
2 (-) Capital reductions		**518**			
3 Conversion of financial liabilities into equity (conversion of bonds, condoning of debt)		**519**			
4 (-) Distribution of dividends		**520**			
5 Operations with own shares (net)		**521**			
6 Increase (reduction) of equity caused by a combination of businesses		**522**			
7 Other operations with shareholders or owners		**523**			
III. Other variations in net equity		**524**			
1 Revaluation reserve variations		**531**			
2 Other variations		**532**			
E) BALANCE, END OF YEAR :	**2023**	**525**			

NORMAL STATEMENT OF CHANGES IN EQUITY

B) Total statement of changes in net equity

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.
- Sole Propietor Ltd Company -

			TOTAL
			13
A) BALANCE, END OF YEAR :	**2021**	511	2,762,553.48
I. Adjustments from changes of criteria over year 2021 and previous years		512	
II. Adjustments of errors over year 2021 and previous years		513	(8,312.30)
B) ADJUSTED BALANCE, START YEAR:	**2022**	514	2,754,241.18
I. Total recognised income and expenses		515	468,932.73
II. Operations with shareholders or owners		516	
1 Capital increases		517	
2 (-) Capital reductions		518	
3 Conversion of financial liabilities into equity (conversion of bonds, condoning of debt)		519	
4 (-) Distribution of dividends		520	
5 Operations with own shares (net)		521	
6 Increase (reduction) of equity caused by a combination of businesses		522	
7 Other operations with shareholders or owners		523	
III. Other variations in net equity		524	
1 Revaluation reserve variations		531	
2 Other variations		532	
C) BALANCE, END OF YEAR :	**2022**	511	3,223,173.91
I. Adjustments from changes of criteria over year 2022		512	
II. Adjustments of errors over year:	**2022**	513	
D) ADJUSTED BALANCE, START YEAR:	**2023**	514	3,223,173.91
I. Total recognised income and expenses		515	51,946.44
II. Operations with shareholders or owners		516	
1 Capital increases		517	
2 (-) Capital reductions		518	
3 Conversion of financial liabilities into equity (conversion of bonds, condoning of debt)		519	
4 (-) Distribution of dividends		520	
5 Operations with own shares (net)		521	
6 Increase (reduction) of equity caused by a combination of businesses		522	
7 Other operations with shareholders or owners		523	
III. Other variations in net equity		524	
1 Revaluation reserve variations		531	
2 Other variations		532	
E) BALANCE, END OF YEAR :	**2023**	525	3,275,120.35

NORMAL STATEMENT OF CHANGES IN EQUITY
B) Total statement of changes in net equity

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.
- Sole Propietor Ltd Company -

			CAPITAL REGISTERED	CAPITAL (UNCALLED)	ISSUE PREMIUM	RESERVES	(OWN SHARES AND HOLDINGS IN EQUITY)	RESULTS OF PREVIOUS YEARS	OTHERS CONTRIB. FROM SHAREHOLDERS	RESULT FROM YEAR	(DIVIDEND TO ACCOUNT)	OTHER EQUITY INSTRUMENTS	ADJUSTMENTS FROM CHANGE OF VALUE	SUBS., DONATIONS AND LEGACIES RECEIVED	TOTAL
			1	2	3	4	5	6	7	8	9	10	11	12	13
A) BALANCE, END OF YEAR :	2021	511	200,000.00			2,124,412.89			150,000.00	288,140.59					2,762,553.48
I. Adjustments from changes of criteria over year 2021 and previous years		512													
II. Adjustments of errors over year 2021 and previous years	2021	513				(8,312.30)									(8,312.30)
B) ADJUSTED BALANCE, START OF YEAR:	2022	514	200,000.00			2,116,100.59			150,000.00	288,140.59					2,754,241.18
I. Total recognised income and expenses		515								468,932.73					468,932.73
II. Operations with shareholders or owners		516													
1 Capital increases		517													
2 (-) Capital reductions		518													
3 Conversion of financial liabilities into equity (conversion of bonds, condoning of debt)		519													
4 (-) Distribution of dividends		520													
5 Operations with own shares (net)		521													
6 Increase (reduction) of equity caused by a combination of businesses		522													
7 Other operations with shareholders or owners		523													
III. Other variations in equity		524				288,140.59				(288,140.59)					
1 Revaluation reserve variations		531													
2 Other variations		532				288,140.59				(288,140.59)					
C) BALANCE, END OF YEAR :	2022	511	200,000.00			2,404,241.18			150,000.00	468,932.73					3,223,173.91
I. Adjustments from changes of criteria over year 2022		512													
II. Adjustments of errors over year:	2022	513													
D) ADJUSTED BALANCE, START OF YEAR:	2023	514	200,000.00			2,404,241.18			150,000.00	468,932.73					3,223,173.91
I. Total recognised income and expenses		515								51,946.44					51,946.44
II. Operations with shareholders or owners		516													
1 Capital increases		517													
2 (-) Capital reductions		518													
3 Conversion of financial liabilities into equity (conversion of bonds, condoning of debt)		519													
4 (-) Distribution of dividends		520													
5 Operations with own shares (net)		521													
6 Increase (reduction) of equity caused by a combination of businesses		522													
7 Other operations with shareholders or owners		523													
III. Other variations in net equity		524				468,932.73				(468,932.73)					
1 Revaluation reserve variations		531													
2 Other variations		532				468,932.73				(468,932.73)					
E) BALANCE, END OF YEAR :	2023	525	200,000.00			2,873,173.91			150,000.00	51,946.44					3,275,120.35

NORMAL CASH FLOW STATEMENT

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.
- Sole Propietor Ltd Company -

		NOTES TO THE ANNUAL REPORT	2023	2022
A) CASH FLOWS FROM OPERATING ACTIVITIES				
1 Profit for year before tax	**61100**		**85,540.88**	**617,673.11**
2 Adjustments of result	**61200**		**1,208,068.02**	**244,696.72**
a) Depreciation of fixed assets (+)	**61201**		331,562.19	284,699.46
b) Impairment valuation corrections (+/-)	**61202**		315,704.52	(104,125.12)
c) Variation in provisions (+/-)	**61203**			
d) Allocation of subsidies (-)	**61204**			
e) Income from elimination and sales of fixed assets	**61205**			(630.00)
f) Income from elimination and sales of financial instruments (+/-)	**61206**			
g) Financial income (-)	**61207**		(17,779.78)	(21,160.94)
h) Financial expenses (+)	**61208**		445,532.86	216,704.03
i) Foreign exchange differences (+/-)	**61209**		133,048.23	(130,790.71)
j) Variation in fair value of financial instruments (+/-)	**61210**			
k) Other income and expenses (-/+)	**61211**			
3 Changes in current capital	**61300**		**(1,086,638.14)**	**(955,083.10)**
a) Stocks (+/-)	**61301**		(687,115.07)	(686,264.10)
b) Debtors and other accounts receivable (+/-)	**61302**		(2,417,655.65)	398,532.08
c) Other current assets (+/-)	**61303**		(187,811.53)	65,059.09
d) Creditors and other accounts payable (+/-)	**61304**		1,976,537.23	(713,089.18)
e) Other current liabilities (+/-)	**61305**		5,032.53	(9,476.22)
f) Other non-current assets and liabilities (+/-)	**61306**		224,374.35	(9,844.77)
4 Other cash flows from operating activities	**61400**		**(519,780.11)**	**(333,228.75)**
a) Payments of interests (-)	**61401**		(445,532.86)	(216,704.03)
b) Collection of dividends (+)	**61402**			
c) Collection of interests (+)	**61403**		17,779.78	21,160.94
d) Collections (payments) from Corporate Income Tax (+/-)	**61404**		(92,027.03)	(137,685.66)
e) Other payments (collections) (-/+)	**61405**			
5 Cash flows from operating activities (1+2+3+4)	**61500**		**(312,809.35)**	**(425,942.02)**

NORMAL CASH FLOW STATEMENT

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.
- Sole Propietor Ltd Company -

DEBIT		NOTES TO THE ANNUAL REPORT	2023	2022
B) CASH FLOWS FROM INVESTING ACTIVITIES				
6 Payments for Investments (-)	**62100**		**(429,740.61)**	**(689,629.74)**
a) Group and associated companies	**62101**			
b) Intangible fixed assets	**62102**		(270,596.05)	(150,961.33)
c) Tangible fixed assets	**62103**		(159,144.56)	(36,653.41)
d) Real estate investments	**62104**			
e) Other financial assets	**62105**			(502,015.00)
f) Non-current assets kept for sale	**62106**			
g) Business Units	**62107**			
h) Other assets	**62108**			
7 Collections from divestments (+)	**62200**		**101,305.00**	**42,916.66**
a) Group and associated companies	**62201**			
b) Intangible fixed assets	**62202**			
c) Tangible fixed assets	**62203**			
d) Real estate investments	**62204**			
e) Other financial assets	**62205**		101,305.00	42,916.66
f) Non-current assets kept for sale	**62206**			
g) Business Units	**62207**			
h) Other assets	**62208**			
8 Cash flows from investment activities (6+7)	**62300**		**(328,435.61)**	**(646,713.08)**

NORMAL CASH FLOW STATEMENT

B-63670863

COMPANY NAME

TVS LOGISTICS IBERIA, S.L.
- Sole Propietor Ltd Company -

		NOTES TO THE ANNUAL REPORT	2023	2022
C) CASH FLOWS FROM FINANCING ACTIVITIES				
9 Collections and payments with other equity instruments	63100			
a) Issue of equity instruments (+)	63101			
b) Amortisation of equity instruments (-)	63102			
c) Acquisition of own equity instruments (-)	63103			
d) Sale of own equity instruments (+)	63104			
e) Subsidies, donations and legacies received (+)	63105			
10 Collections and payments with financial liabilities instruments	63200		**181,629.57**	**(968,446.79)**
a) Issue	63201		**181,629.57**	
1. Bonds and other marketable securities (+)	63202			
2. Debts to credit entities (+)	63203		120,452.26	
3. Debts with group and associated companies (+)	63204		61,177.31	
4. Debts with special characteristics (+)	63205			
5. Other debts (+)	63206			
b) Return and amortisation of	63207			**(968,446.79)**
1. Bonds and other marketable securities (-)	63208			
2. Debts to credit entities (-)	63209			(732,872.79)
3. Debts with group and associated companies (-)	63210			(235,574.00)
4. Debts with special characteristics (-)	63211			
5. Other debts (-)	63212			
11 Payments from dividends and remuneration of other equity instruments	63300			
a) Dividends (-)	63301			
b) Remuneration of other equity instruments (-)	63302			
12 Cash flows from financing activities (9+10+11)	63400		**181,629.57**	**(968,446.79)**
D) Effect of changes in exchange rates	64000		**(133,048.23)**	**130,790.71**
E) NET INC./DECRE. IN CASH OR EQUIVAL. (5+8+12+D)	65000		**(592,663.62)**	**(1,910,311.18)**
Cash or equivalents at beginning of year	65100		1,554,077.29	3,464,388.47
Cash or equivalents at end of year	65200		961,413.67	1,554,077.29

1. ACTIVITY OF THE COMPANY

The Company was founded on 4 November 2004. Its registered offices are at Calle Cent Tretze, nº. 10, Polígono Industrial Pratenc, El Prat de Llobregat, 08820, Barcelona.

Its business purpose, as stated in section 2 of its By-Laws, is as follows:

a) Logistical service
b) Assessment on logistical services
c) Applying logistics in warehouses
d) Rendering of transport services, using own resources or those of third parties, by land, sea and air.
e) Import and export of vehicles and automobile components for distribution and sale.

All of the above refers to the auto industry.

TVS LOGISTICS IBERIA, S.L. – Sole Proprietor Limited Company - forms part of TVS GROUP, whose parent company is TVS LOGISTICS INVESTMENT UK LIMITED, with its registered offices in Logistics House Buckshaw Avenue, Chorley, Lancashire PR6 7AJ.

TVS LOGISTICS IBERIA, S.L – Sole Proprietor Limited Company - lodges its annual accounts in the Companies' Registry of Barcelona, while the aforesaid parent company lodges its annual accounts in Companies House, England (U.K.).

2. BASES OF PRESENTATION OF THE ANNUAL ACCOUNTS

a) True and fair view

The annual accounts have been drawn up from the accounting records of the Company. The current statutory provisions on accounting matters have been applied in order to show a true and fair view of the net worth, changes in equity, the financial situation and results of the Company, and also the veracity of the cash flows statement for the year.

b) Regulatory framework for financial reporting and working currency

The annual accounts attached hereto have been drawn up applying the accounting principles and the registration and valuation standards set out in the Code of Commerce and in the General Accounting Plan approved by Royal Decree 1514/2007, of 16 November (partially amended in 2016 by Royal Decree 602/2016, of 2 December, and in 2021 by Royal Decree 1/2021, of January 12).

The working currency of the company is the euro, and these annual accounts have been drawn up in thousands of euros.

3. RESULT DISTRIBUTION

The proposal of the Sole Manager to the Sole Shareholder regarding the approval of the distribution of results for the year ended 31 March 2024 and the approved distribution in the previous year, are described below:

	Euros	
	31-03-2024	31-03-2023
DISTRIBUTION BASE		
Profits/Losses (after tax)	51,946.44	468,932.73
Total Distribution Base	**51,946.44**	**468,932.73**
DISTRIBUTION		
To Legal Reserve	51,946.44	468,932.73
Total Distribution	**51,946.44**	**468,932.73**

4. REGISTRATION AND VALUATION PRINCIPLES

The attached annual accounts have been drawn up according to the following accounting principles:

a) Intangible fixed assets

Intangible assets are initially valued at their cost, whether this is the acquisition price or the production cost, and are recognized when they meet the identifiability criterion, that is, when they arise from legal rights and/or are separable. The cost of intangible assets acquired through business combinations is their fair value on the date of acquisition. After initial recognition, intangible assets are valued at cost, less accumulated amortization and, where applicable, the accumulated amount of impairment corrections recorded.

Intangible assets are systematically amortized based on the estimated useful life of the assets and their residual value. The amortization methods and periods applied are reviewed at each year-end and, if appropriate, adjusted prospectively. At least at the end of the year, the existence of signs of impairment is evaluated, in which case the recoverable amounts are estimated, and the appropriate valuation corrections are made.

a.1) Research and development expenses

Development expenses are activated from the moment the following conditions are met:

- They are specifically individualized by projects and their cost is clearly established so that it can be distributed over time.
- There are well-founded reasons for the technical success and economic-commercial profitability of the activated projects.

Development costs are amortized over five years. The Company has prepared a feasibility study that demonstrates that the recoverability of the asset and its ability to generate profits in the future is similar to that period.

When there are reasonable doubts about the technical success or economic-commercial profitability of the activated projects, the amounts recorded in the asset are charged directly to losses for the year.

a.2) Industrial Property

Refers to the amount paid for the ownership of the TVS LOGISTICS IBERIA, SL. Internet domain, which the Company amortizes, and for the rights to use computer programs, amortized by the Company using a straight-line method over five years.

a.3) Computer Applications

Refers to the amount paid for the ownership or license of software, amortized by the Company using a straight-line method over four years.

b) **Tangible fixed assets**

Tangible fixed assets are shown at their cost value. The depreciation charges applied during the financial year were calculated by applying the ratios listed below to the cost prices:

Type of Fixed Asset	Method	Coefficient
Technical installations	Straigt-line	10%
Machinery	Straigt-line	12%
Tooling	Straigt-line	25%
Other installations	Straigt-line	10%
Furniture	Straigt-line	10-15%
Computer equipment	Straigt-line	25%
Vehicles	Straigt-line	16%
Other fixed asset	Straigt-line	20%

c) **Impairment in value of non-financial assets**

At least at year end, the Company assesses whether or not there are signs that a non-current asset, or, as the case may be, any cash generating unit, may be impaired. If there are signs, then their recoverable amounts are estimated.

The recoverable sum is either the fair value minus the cost of sale, or the value in use, whichever is higher. When the book value is higher than the recoverable amount, then an impairment loss occurs. The value in use is the current value of the future expected cash flows, using risk-free market interest rates, adjusted for the specific risks associated with the asset. For assets which do not generate cash flows which are, to a large extent, independent from those arising from other assets of asset groups, the recoverable amount is determined for the cash-generating units to which the aforesaid assets belong.

Valuation corrections due to impairment, and their reversion are recorded on the profit and loss account. Valuation corrections due to impairment are reverted when the circumstances which prompted such a reversion are no longer applicable, except those corresponding to goodwill. The limit for the reversion of the impairment is the book value of the asset which would appear if the pertinent impairment in value had not been previously entered.

d) **Stocks**

d.1) Valuation

Trade stocks are valued at their acquisition price, using the weighted average price method.

d.2) Deterioration

When the cost of purchase or production of stocks exceeds their realizable value, the pertinent provision for stock deterioration is entered into the books in order to acknowledge this difference as a known loss.

e) **Goods acquired under financial leasing**

They are recorded at the acquisition value of the good, provided they do not significantly differ from their fair value or the current value of the minimum future flows set out in each leasing contract, whichever is lower. They are classified in the pertinent heading depending on their nature, and are amortised in accordance with their estimated useful life.

f) **Financial assets**

At initial recognition, the Company classifies all financial assets into one of the categories listed below, which determines the initial and subsequent measurement methods used:

- Financial assets at fair value through profit or loss
- Financial assets at amortized cost
- Financial assets at fair value through equity
- Financial assets at cost

f.1) Financial assets at fair value with changes in the profit and loss account

The Company classifies a financial asset in this category unless it should be classified into one of the other categories.

Financial assets held for trading are classified into this category. The Company considers that a financial asset is held for trading when it meets at least one of the following three circumstances:

- It is acquired for the purpose of selling in the near future.
- At initial recognition, it is part of a portfolio of identified financial instruments managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.
- It is a derivative financial instrument, provided that it is not a financial guarantee contract or has been designated as a hedge.

Additionally, upon initial recognition the Company has the possibility of irrevocably measuring a financial asset at fair value through profit or loss that would otherwise have been included in another category (the "fair value option"). This option is permitted if the Company eliminates a measurement inconsistency or accounting mismatch that would otherwise arise from measuring assets or liabilities on different bases.

The financial assets classified into this category are initially measured at fair value, which unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration paid. Directly attributable transaction costs are recognized in the income statement for the year (that is, they are not capitalized)

Subsequent to initial recognition, the Company measures the financial assets included in this category at fair value through profit or f.2) Financial assets at amortized cost

The Company classifies a financial asset in this category, even when it is admitted to trading on an organized market, if the following conditions are made:

- The Group keeps the investment under a management model whose purpose is to receive the cash flows derived from the execution of the contract.

  Managing a portfolio of financial assets to obtain contractual cash flows does not mean that all instruments should be held to maturity; they can be managed for that purpose even when they are sold or are expected to be sold in the future. In this regard, the Company considers the frequency, the amount and timetable of sales in prior years, the reasons for these sales and expectations for future sales.

- The contractual characteristics of the financial asset give rise on specified dates to cash flows that are solely collections of principal and interest on the principal amount outstanding. That is, cash flows are inherent to an agreement that is an ordinary or common loan in nature, without prejudice that a zero interest rate or below-market interest rate is agreed for the transaction.

  It is considered that this condition is met in the case of a note or basic loan with a specific maturity date and on which the Company receives interest at a floating market rate, and may be subject to a limit. On the contrary, it is considered that this condition is not met in the case of instruments convertible into equity instruments of the issuer, reverse floating rate loans (that is, a rate that carries a spread inversely related to market interest rates) or loans where the issuer can defer payment of interest if that could impact its solvency, with deferred interest not accruing further interest.

In general, trade receivables ("trade customers") and non-trade receivables ("other receivables") are included in this category.

At initial recognition, financial assets in this category are recognized at fair value, which, unless there is evidence to the contrary, it is considered to be the transaction price, which is equivalent to the fair value of the consideration paid plus directly attributable transaction costs. That is, inherent transaction costs are capitalized.

Nevertheless, trade receivables which mature within less than one year with no specific contractual interest rate, as well as loans to personnel, receivable dividends and called-up payments on equity instruments, the amount of which is expected in the short term, are carried at nominal value when the effect of not discounting cash flows is not significant.

Subsequently, they are measured at amortized cost. Interest is recognized in the income statement (finance income) using the effective interest method.

Receivables maturing within a year that, as explained above, are initially stated at nominal value will continue to be measured at nominal value unless they have become impaired.

In general, when contractual cash flows from a financial asset at amortized cost change because of financial difficulties of the issuer, the Company analyzes whether an impairment loss should be recorded.

f.3) Financial assets at fair value through equity

This category includes the financial assets that meet the following conditions:

- The financial instrument is not held for trading and cannot be classified at amortized cost.

- The contractual characteristics of the financial asset give rise on specified dates to cash flows that are solely collections of principal and interest on the principal amount outstanding.

The Company does not apply the option of classifying investments in equity instruments in this category.

Upon initial recognition, they are recognized at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration paid plus directly attributable transaction costs. That is, inherent transaction costs are capitalized.

They are subsequently measured at fair value without deducting any transaction costs that may be incurred upon disposal. Changes in fair value are recognized directly in equity until the investment is derecognized or determined to be impaired at which time the cumulative gain or loss previously recorded in equity is recognized in the income statement.

Impairment losses and foreign exchange gains and losses on monetary assets are recognized in the income statement rather than in equity.

Interest earned is also recognized in the income statement, calculated using the effective interest method, as well as any dividends (finance income).

f.4) Financial assets at cost

The Company includes in this category:

- Investments in group companies, joint ventures and associates (separate financial statements).

- Other investments in equity instruments whose fair value cannot be determined by reference to a quoted price on an active market for an identical instrument or be reliably measured, and derivatives whose underlying assets are these investments.

- Hybrid financial assets whose fair value cannot reliably measured, unless they meet the requirements for them to be recorded at amortized cost.

- Contributions made as a result of joint account contracts or similar agreements.

- Participation loans that accrue contingent interest, either because they are agreed at a fixed or floating interest rate conditional on the fulfilment of a milestone at the borrower (e.g. obtaining profit) or because they are calculated by reference exclusively to the evolution of the borrower's activity.

- Any other financial asset that should initially be classified at fair value through profit or loss when fair value cannot be reliably estimated.

Investments included in this category are initially measured at cost, which is equivalent to the fair value of the consideration paid plus directly attributable transaction costs. That is, inherent transaction costs are capitalized.

In the case of investments in group companies, if an investment exists prior to its classification as an investment in a group company, joint venture or associate, cost value is deemed to be the investment's recognized carrying amount immediately prior to the company being classified as such.

Subsequent measurement is also at cost, less

Contributions made as a result of joint account contracts and similar agreements shall be measured at cost plus or minus the gain or loss, respectively, attributable to the company as a non-trustee venturer, less any accumulated impairment.

The same principle is applied to participation loans that accrue contingent interest, either because they are agreed at a fixed or floating interest rate conditional on the fulfilment of a milestone at the borrower (e.g. obtaining profit) or because they are calculated by reference exclusively to the evolution of the borrower's activity. If in addition to a contingent interest an irrevocable fixed interest is agreed on, the irrevocable fixed interest is recorded as finance income on an accruals basis. Transaction costs are recorded in the income statement on a straight-line basis over the life of the participation loan.

f.5) Derecognition of financial assets

The Company derecognizes a financial asset from the balance sheet when:

- The contractual rights to receive cash flows from the asset have expired. In this regard, a financial asset is derecognized when it matures and the Company has received the corresponding amount.

- The contractual rights to the cash flows from the financial asset have been transferred. In this case, the financial asset is derecognized when the risks and rewards incidental to its ownership have been substantially transferred. In particular, in sale transactions under repurchase agreements, factoring or securitizations, the financial asset is derecognized once the group's exposure to changes in amounts has been compared before and after the transfer, and it has been deduced from the timetable of net cash flows from the transferred asset that the risks and rewards have been transferred.

After analyzing the risks and rewards, the Company derecognizes the financial assets in accordance with the following situations:

- The risks and rewards incidental to the ownership of the asset have been substantially transferred. The asset transferred is derecognized from the balance sheet and the Company recognizes the gain or loss on the transaction

- The difference between the consideration received, net of attributable transaction costs (including any new asset obtained less any liability assumed) and the carrying amount of the financial asset transferred, plus any cumulative gain or loss directly recognized in equity.

f.6) Impairment of financial assets

- *Debt instruments at amortized cost or fair value through equity*

  At least at year end, the Company analyzes whether there is objective evidence that a financial asset or group of financial assets with collectively measured similar credit risk characteristics is impaired as a result of one or more events which have occurred following initial measurement and which lead to a reduction or delay in estimated future cash flows due to debtor insolvency.

  In the event that there is such objective evidence, impairment losses are calculated as the difference between the book value and the present value of future cash flows, including, where appropriate, estimated future cash flows from the execution of in rem and personal guarantees, discounted at the effective interest rate calculated upon initial recognition. For financial assets carrying floating interest rates, the effective interest rate used is that prevailing at the balance sheet date as per the instrument's contractual terms. Impairment losses on groups of financial assets is computed using models based on statistical formula or valuation methods.

Impairment losses, and any reversals in a subsequent period when the decrease in the impairment loss can be related objectively to an event occurring after recognition of the impairment, is recognized as an expense or income, respectively, in the income statement. Reversal of impairment is limited to the book value of the asset that would have been recognized on the reversal date had no impairment loss been recognized.

The present value of future cash flows can be substituted by the instrument's market value, provided that this is considered a sufficiently reliable indicator of the amount that could be recovered by the company.

In the case of assets measured at fair value through equity, accumulated impairment losses are recognized in equity as a decrease in fair value, provided that there is objective evidence of impairment, are recognized in the income statement.

- *Equity instruments at fair value through equity*

  In this type of investments, the Company considers that equity instruments are impaired when their value has decreased over 18 months and by 40% of their initial quoted price without having recovered their initial value, without prejudice that an impairment loss may need to be recorded before the said period has ended or the 40% drop has been reached.

  Impairment loss and its reversion are recognized as an expense in the income statement.

  Should fair value increase, impairment losses recognized in prior years shall not reverse with a credit to the income statement and the increase in fair value shall be recognized directly in equity.

- *Financial assets at cost*

  In this case, the impairment loss is the difference between the carrying amount and the recoverable amount. The recoverable amount is understood to be the greater amount of either the fair value amount less cost to sell or the present value of the cash flows derived from the investment, which for equity instruments are calculated either by estimating the expected flows due to dividend payments made by the investee or the disposal or withdrawal of the investment, or by estimating the participation by the investee in the expected cash flow to be generated, coming from their ordinary activities as well as from disposal or withdrawal of investment. Unless better evidence of the recoverable amount of investments in equity instruments is available, impairment of this type of asset is estimated taking into account the equity of the investee and any unrealized capital gains existing on the measurement date, net of tax effect.

  Impairment loss and its reversion are recognized as an expense or as income, respectively, in the income statement. Reversal of impairment is limited to the carrying amount of the investment that would have been recognized on the reversal date had no impairment loss been recognized.

- *Interest and dividends received from financial assets*

  Interest and dividends from financial assets accrued subsequent to acquisition are recognized as income in the consolidated income statement. Interest must be recognized using the effective interest method; dividends are recognized when the right to receive them is established.

  If distributed dividends are derived unmistakably from profit generated prior to the date of acquisition given that the amounts of distributed dividends exceeded the profit generated by the associate since acquisition, the dividends are not recognized as income and decrease the cost of the investment. Judgment on whether the investee has generated profit shall be based exclusively on the profits recorded in the separate income statement since acquisition date, unless the distribution of the said profit has to be classified undoubtedly as a recovery of the investment from the perspective of the entity receiving the dividends.

g) Financial liabilities

At initial recognition, the Company classifies all financial liabilities into one of the categories listed below:

- Financial liabilities at amortized cost
- Financial liabilities at fair value through profit or loss

g.1) Financial liabilities at amortized cost

The Company classifies all financial liabilities into this category except when they must be measured at fair value through profit or loss.

In general, trade payables ("suppliers") and non-trade payables ("other creditors") are included in this category.

Participation loans that have the characteristics of an ordinary or common loan are also included in this category without prejudice that a zero-interest rate or below-market rate is agreed for the transaction.

Upon initial recognition, they are recognized at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration received adjusted by directly attributable transaction costs. That is, inherent transaction costs are capitalized.

Nevertheless, trade payables which mature within less than one year with no contractual interest rate, as well as called-up payments on shares, the amount of which is expected in the short term, are carried at the nominal value when the effect of not discounting cash flows is not significant.

Subsequently, they are measured at amortized cost. Interest is recognized in the income statement (finance expense) using the effective interest method.

However, payables maturing within a year that in keeping with the description above are initially stated at nominal value shall continue to be measured at nominal value.

Contributions received as a result of joint account contracts and similar agreements shall be measured at cost plus or minus the gain or loss, respectively, that shall be attributed to the non-trustee venturers.

g.2) Financial liabilities at fair value through profit or loss

In this category the Company includes the financial liabilities that meet one of the following conditions:

- These are liabilities held for trading. A financial liability is considered held for trading if it meets one of the following conditions:

- It is issued or assumed mainly for the purpose of repurchasing it in the short term (e.g. bonds or other quoted marketable securities that the company may purchase in the short term based on changes in value).

- It is an obligation that short sellers have to deliver the financial assets that have been lent to them ("short selling").

- At initial recognition, it is part of a portfolio of identified financial instruments managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.

- It is a derivative financial instrument, provided that it is not a financial guarantee contract or has been designated as a hedge.

- Since initial recognition it has irrevocably been designated as at fair value through profit or loss ("fair value option"), due to the fact that:

  - An inconsistency or "accounting mismatch" is eliminated or significantly reduced against other instruments at fair value through profit or loss; or

  - A group of financial assets and/or financial liabilities that is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy and information about the assets and/ or liabilities is provided internally to the entity's key management personnel.

- Optionally and irrevocably, hybrid financial liabilities with a separable embedded derivative may be entirely included in this category.

The financial liabilities included in this category are initially measured at fair value, which unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration received. Directly attributable transaction costs are recognized in the income statement.

Subsequent to initial recognition, the company measures the financial liabilities included in this category at fair value through profit or loss.

g.3) Derecognition of financial liabilities

The Company derecognizes a previously recognized financial liability when one of the following circumstances occurs:

- The obligation under the liability is extinguished because payment to the creditor for cancelling the debt has been made (through payments in cash or other goods or services) or because the debtor is legally released from any responsibility for the liability.

- Own financial liabilities are acquired, even if the Company intends to resell them in the future.

- An exchange between a borrower and a lender of debt instruments with substantially different terms, recognizing the new financial liability. Similarly, any substantial modification of the terms of an existing financial liability shall also be recognized, as indicated for debt restructuring.

A financial liability is derecognized as follows: the difference between the carrying amount of the financial liability (or the part of it that has been derecognized) and the consideration paid, including any attributable transaction costs, which also has to include any new asset transferred other than cash or liability assumed, is recognized in the income statement in the year to which it relates.

h) **Third-party toolings**

The Company develops, on behalf of its clients, the necessary tooling to initiate the manufacturing process of their articles. Usually, the costs of tooling are borne by the customer. The Company acts as intermediary between the industrialists that manufacture the tooling and the customer.

The price of the tooling is previously agreed with the customer. The company's policy is to register as a result the positive or negative difference between the real cost of the developed tooling and the agreed price with the customer.

The expenses incurred are registered under the heading "Non-current assets held for sale" while the advance payments received from customers are recorded under the heading "Related liabilities with non-current assets, kept for sale".

The margin obtained is not recognized for accounting purposes until the cancellation, homologation and acceptation of the tooling test report by the customer is made. This margin is recorded under the heading "Impairment and income from sales of fixed assets". There has not been any income or losses related with this practice during the financial year ending on 31 March 2022.

i) **Classification of assets and liabilities into current and non-current**

In accordance with the provisions of the General Accounting Plan, the Company classifies its assets and liabilities using the following policy:

- Current assets and liabilities: Due within twelve months.
- Non-current assets and liabilities: Due over twelve months.

j) **Foreign currency transactions**

Transactions in foreign currency made by the Company refer to service provision transactions. The amounts of the aforesaid transactions are registered at their equivalent in euros when the operation is accrued. At closure of the annual accounts, these exchange-rate differences are accounted, on balances pending receipt and payment in foreign currencies that had arisen between the date of the operation and the said closure date. Both negative and positive differences are posted to the profit and loss account for the year.

k) **Corporate income tax**

Calculated in accordance with yearly results, considering the differences between the book result and the fiscal result (tax base), and distinguishing whether said differences are "permanent" or "temporary" with the object of calculating the Corporate Income Tax accrued for the year. Total income or expenses accrued for this item may be divided two components:

- current tax, equivalent to the estimated sum payable for the tax base obtained over the year (taking into account deductions and payments to account previously made). It also includes adjustments for taxes pertaining to previous years.

- deferred tax, arising from the temporary deductible and taxable differences, and valued at the effective tax rate expected over the year in which the aforesaid temporary differences are eventually reversed.

The differences between the corporate income tax payable and the expense for that tax are registered as assets or liabilities by deferred tax, as applicable. Assets for temporary differences, deductions pending application and the credits from losses are recorded in the deferred tax assets, from the non-current assets item, while deferred tax liabilities are recorded in the non-current liabilities item.

Credits are only accounted for losses, deductions pending application and assets for temporary differences when there are reasonable grounds to expect that positive tax bases will be obtained in the near future, within a period of no longer than 10 years, although this period can be extended to a relatively longer period as long as consistent and reasonable business plans are in place to prove that such gains are possible. Likewise, and following the principle of valuation prudence, the Company has chosen not to capitalize the tax deductions pending application as of the end of the financial year.

l) **Income and expenses**

l.1) Sales

Revenues from the sale of goods are recorded when the significant risks and gains inherent to the ownership of the aforesaid goods have been transferred to the buyer, independently of the legal transfer thereof, and provided that the amount of the sale and its costs incurred (or to be incurred) can be valued in reliable form and that the collection of the aforementioned sale is initially highly likely.

Revenues from the rendering of services are accounted when the result of the transaction (sum of revenues, degree of realisation of the transaction and costs incurred or to be incurred) can be reliably estimated. If this result cannot be estimated reliably, these revenues are only recognised insofar as the amount to which the recognised expenses are considered to be recoverable.

Revenues from the sale of goods or rendering of services are valued using the agreed price, net of any discount, reduction or similar item which could be granted by the company, and the interests incorporated to the face value of the credits with expiries of over one year (should they exist). In trade credits with maturities of less than one year, not adjusting the cash flows has an insignificant effect, and thus the possible interests incorporated in the aforesaid credits are considered to be part of the sale.

The taxes applied to the sale of goods and the rendering of services which the company has to pass on to third parties, such as value added tax, special taxes and amounts received on behalf of third parties, do not form part of revenues.

l.2) Purchases and services received

Expenses are allocated in accordance with the real flow of goods and services to which they refer, independently of the time when the monetary or financial flow deriving from it takes place. The amounts of taxes levied on the purchase of merchandise, goods or services, excluding Value-Added Tax, are recorded as greater value thereof.

l.3) Personnel expenses

Personnel expenses in respect of extra pay and holidays are spread over the financial year, and are registered at the close of the year for the proportional part of such payments which, in accordance with current labour law, have then fallen due. At close of the attached annual accounts, the amount brought into book under this heading was included in current liabilities, under the "Remunerations Pending Payment" heading

m) **Provisions and contingencies**

The Company recognises provisions to be liabilities which comply with the necessary requirements in order to be accounted, although the amount and/or the expiry thereof are uncertain. The aforesaid provisions derive from legal or contractual stipulations or implicit or tacit obligations.

Provisions are valued at the yearly closing date using the current value of the best possible estimate of the amount to be paid in the future. Adjustments arising from the adjustment of the provision are treated as financial expenses for the year. For provisions with a maturity of less than one year, no adjustments of value are carried out, providing the adjustments which arise are insignificant.

n) **Transactions with related parties**

The Company considers related parties to be all companies which form part of TVS GROUP, the multi-group companies and the companies associated with them. It also includes the key administrators and directors.

Transactions are accounted using their fair value. If the price of the operation differs from the aforesaid fair value, the difference is recorded using the real economic sum of the operation.

5. INTANGIBLE FIXED ASSETS

The changes undergone in these accounts are as follows:

	Euros				
Cost	Balances at 31-03-2023	Adds/ Depreciation	Disposals	Adjustments/ Reclassifications	Balances at 31-03-2024
Development	0.00	95,889.83	-	-	95,889.83
Industrial Property	128,534.53	-	-	-	128,534.53
Computer Applications	705,974.89	175,428.68	-	-	881,403.57
Total Cost	**834,509.42**	**271,318.51**	**0.00**	**0.00**	**1,105,827.93**
Depreciation					
Development	0.00	(722.46)	-	-	(722.46)
Industrial Property	(95,822.45)	(63,093.22)	-	-	(158,915.67)
Computer Applications	(338,045.00)	(64,068.56)	-	-	(402,113.56)
Total depreciation	**(433,867.45)**	**(127,884.24)**	**0.00**	**0.00**	**(561,751.69)**
Net book value	**400,641.97**	**-**	**-**	**-**	**544,076.24**

Changes in this heading during the previous year were as follows:

	Euros				
Cost	Balances at 31-03-2022	Adds/ Depreciation	Disposals	Adjustments/ Reclassifications	Balances at 31-03-2023
Industrial Property	126,384.60	2,534.50	(384.57)	-	128,534.53
Computer Applications	557,548.06	148,426.83	-	-	705,974.89
Total Cost	**683,932.66**	**150,961.33**	**(384.57)**	**0.00**	**834,509.42**
Depreciation					
Industrial Property	(83,746.18)	(12,460.87)	384.57	0.03	(95,822.45)
Computer Applications	(253,610.74)	(84,436.45)	-	2.19	(338,045.00)
Total depreciation	**(337,356.92)**	**(96,897.32)**	**384.57**	**2.22**	**(433,867.45)**
Net book value	**346,575.74**	**-**	**-**	**-**	**400,641.97**

The Company had the following items in use which had been completely amortised

	Euros	
Item	31-03-2024	31-03-2023
Industrial Property	72,501.52	72,501.52
Computer Applications	214,672.44	212,243.14
Total	**287,173.96**	**284,744.66**

None of the investments in intangible fixed assets which remain on the accounting records at 31 March 2024 and 2023 derive from acquisitions from group and associated companies.

During the year, were not derecognitions of intangible assets. During the previous year intangible fixed assets, were derecognized for a cost value of 384.57 euros, of elements that were fully amortized, not generating results from disposal.

6. TANGIBLE FIXED ASSETS

The changes undergone in these accounts are as follows:

	Euros				
Cost	Balances at 31-03-2023	Adds/ Depreciation	Disposals	Adjustments/ Reclassifications	Balances at 31-03-2024
Technical installations	825,904.53	133,161.28	-	-	959,065.81
Machinery	4,572.95	-	-	-	4,572.95
Tooling	149,878.50	17,265.98	-	-	167,144.48
Other installations	281,483.46	-	-	-	281,483.46
Furniture	187,183.07	460.60	-	-	187,643.67
Computer equipment	267,555.85	7,534.24	-	-	275,090.09
Vehicles	29,924.64	-	-	-	29,924.64
Other tangible fixed assets	86,698.63	-	-	-	86,698.63
Work in progress	0.00	-	-	-	0.00
Total Cost	**1,833,201.63**	**158,422.10**	**0.00**	**0.00**	**1,991,623.73**
Depreciation					
Technical installations	(411,028.43)	(91,078.60)	-	-	(502,107.03)
Machinery	(3,098.68)	(271.79)	-	-	(3,370.47)
Tooling	(89,669.99)	(32,889.63)	-	-	(122,559.62)
Other installations	(108,667.87)	(26,619.39)	-	-	(135,287.26)
Furniture	(79,540.14)	(22,508.66)	-	-	(102,048.80)
Computer equipment	(226,048.20)	(20,217.54)	-	-	(246,265.74)
Vehicles	(29,924.64)	-	-	-	(29,924.64)
Other tangible fixed assets	(46,353.79)	(10,092.34)	-	-	(56,446.13)
Total depreciation	**(994,331.74)**	**(203,677.95)**	**0.00**	**0.00**	**(1,198,009.69)**
Net book value	**838,869.89**	**-**	**-**	**-**	**793,614.04**

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Changes in this heading during the previous year were as follows:

	Euros				
Cost	Balances at 31-03-2022	Adds/ Depreciation	Disposals	Adjustments/ Reclassifications	Balances at 31-03-2023
Technical installations	825,904.53	-	-	-	825,904.53
Machinery	4,572.95	-	-	-	4,572.95
Tooling	139,777.05	10,101.45	-	-	149,878.50
Other installations	270,156.77	11,326.69	-	-	281,483.46
Furniture	184,133.07	3,330.00	(280.00)	-	187,183.07
Computer equipment	256,721.39	11,895.27	(1,060.81)	-	267,555.85
Vehicles	29,924.64	-	-	-	29,924.64
Other tangible fixed assets	86,698.63	-	-	-	86,698.63
Work in progress	0.00	-	-	-	0.00
Total Cost	**1,797,889.03**	**36,653.41**	**(1,340.81)**	**0.00**	**1,833,201.63**
Depreciation					
Technical installations	(342,859.80)	(68,187.15)	-	18.52	(411,028.43)
Machinery	(2,697.64)	(401.04)	-	-	(3,098.68)
Tooling	(56,975.97)	(32,694.02)	-	-	(89,669.99)
Other installations	(82,353.71)	(26,389.85)	-	75.69	(108,667.87)
Furniture	(59,907.90)	(20,007.03)	280.00	94.79	(79,540.14)
Computer equipment	(200,223.62)	(27,730.29)	1,060.81	844.90	(226,048.20)
Vehicles	(27,230.23)	(2,694.41)	-	-	(29,924.64)
Other tangible fixed assets	(36,249.32)	(10,104.47)	-	-	(46,353.79)
Total depreciation	**(808,498.19)**	**(188,208.26)**	**1,340.81**	**1,033.90**	**(994,331.74)**
Net book value	**989,390.84**	**-**	**-**	**-**	**838,869.89**

Various elements in use from tangible fixed assets have been wholly depreciated. The details are as follows:

	Euros	
Item	31-03-2024	31-03-2023
Technicall installations	15,537.48	15,537.48
Machinery	1,226.00	1,226.00
Tooling	41,796.89	19,431.53
Other installations	12,600.99	12,600.99
Furniture	4,589.34	4,589.34
Computer equipment	194,871.17	160,214.58
Transportation elements	29,924.64	29,924.64
Other tangible fixed assets	3,519.90	3,519.90
Total	**304,066.41**	**247,044.46**

None of the investments in tangible fixed assets which remain on the accounting records at 31 March 2024 and 2023 derive from acquisitions from group and associated companies.

The Company's main asset are the facilities in which it carries out its activity. Given the level of operating profit as of March 31, 2024 there are no signs which might suggest deterioration due to low return on tangible fixed assets.

During the year were not derecognitions of tangible assets. As the same time, during the previous year were derecognized for a cost book value of 1,340.81 euros, of elements that were fully amortized, not generating results from disposal.

Lastly, the Company has taken out insurance policies to cover the carrying value of its tangible fixed assets.

7. LEASES AND OTHER OPERATIONS OF A SIMILAR NATURE

a) Operating leases

The Company basically uses operating leases for properties, and, to a lesser degree, transport.

The monthly payments are as follows (in euros):

Leased element	Monthly payment		Observations
	31-03-2024	31-03-2023	
Properties	29,014.28	40,390.11	Not including VAT
Vehicles	-	-	Not including VAT
Total	**29,014.28**	**40,390.11**	

During the 2023 year, the Company incurred operating lease expenses of 395,213.80 euros, while in 2022 this same figure amounted to 548,705.32 euros.

8. LONG TERM FINANCIAL INVESTMENTS

The changes undergone in these accounts are as follows:

	Euros				
Cost	Balances at 31-03-2023	Adds/ Depreciation	Disposals	Adjustments/ Reclassifications	Balances at 31-03-2024
Credits to third parties	383,333.38	-	-	(100,000.00)	283,333.38
Non-current deposits extended	370,557.93	-	-	-	370,557.93
Total cost	**753,891.31**	**0.00**	**0.00**	**(100,000.00)**	**653,891.31**

(1) Corresponds to credit granted to a third party, maturing in December 2026 and a market interest rate.

Changes in this heading during the previous year were as follows:

	Euros				
Cost	Balances at 31-03-2022	Adds/ Depreciation	Disposals	Adjustments/ Reclassifications	Balances at 31-03-2023
Credits to third parties	0.00	500,000.00	(16,666.66)	(99,999.96)	383,333.38
Non-current deposits extended	396,097.93	710.00	(26,250.00)	-	370,557.93
Total cost	**396,097.93**	**500,710.00**	**(42,916.66)**	**(99,999.96)**	**753,891.31**

9. DEFERRED TAX ASSETS

The changes in these accounts were as follows:

	Euros		
Item	Book depreciation not deductible for tax	Credit for losses	Total
Balance at 31 March 2022	**1,286.90**	**0.00**	**1,286.90**
Adds	-	-	0.00
Disposals (by adjustments and losses)	(321.74)	-	(321.74)
Balance at 31 March 2023	**965.16**	**0.00**	**965.16**
Adds	-	-	0.00
Disposals (by adjustments and losses)	(321.73)	-	(321.73)
Balance at 31 March 2024	**643.43**	**0.00**	**643.43**

10. NON-CURRENT ASSETS HELD FOR SALE

The balance recorded in the previous year, in the amount of 126,667.93 euros, corresponded entirely to the expenses derived from the creation of the necessary tools to start the production processes of customer items.

11. STOCKS

The composition of this item at the closing of the last two years is as follows:

	Euros	
	31-03-2024	31-03-2023
Commercial stocks	2,287,944.59	2,059,477.60
Raw materials and other supplies	336,351.08	-
Products in progress	729,498.00	607,201.00
Advances to suppliers	-	-
Impairment of commercial stocks	(16,116.56)	(5,116.56)
Totals	**3,337,677.11**	**2,661,562.04**

12. TRADE DEBTORS AND OTHER ACCOUNTS RECEIVABLE

The composition at 31 March 2024 and 2023 is as follows:

	Euros	
	31-03-2024	31-03-2023
Customers	8,269,249.01	6,263,092.77
Customers, bills on porfolio	108,844.65	-
Doubtful customers	633,862.23	627,164.30
Customers, group companies	1,474.54	5,199.13
Impairment of value in trade operations	(633,862.23)	(627,164.30)
Sundry debtors	5,617.43	7,778.82
Other credits w ith public administrations (Note 20.d)	45,221.92	105,639.91
Total	**8,430,407.55**	**6,381,710.63**

13. SHORT TERM FINANCIAL INVESTMENTS

The composition at 31 March 2024 and 2023 is as follows:

	Euros	
	31-03-2024	31-03-2023
Credits to companies (1)	100,000.00	99,999.96
Short-term interest on loans	-	1,305.00
Total	**100,000.00**	**101,304.96**

(1) Corresponds to the short-term maturities of the credit mentioned in note 8.

14. FINANCIAL INSTRUMENTS FROM ASSETS BROKEN DOWN BY CATEGORIES

a) Long term financial assets, except for investments in equity of group, multi-group and associated companies

Details by categories are as follows:

	Euros			
Classes	**Credits, derivates and others**		**Total**	
Categories	**Balances at 31-03-2024**	**Balances at 31-03-2023**	**Balances at 31-03-2024**	**Balances at 31-03-2023**
Financial assets at amortized cost	653,891.31	753,891.31	**653,891.31**	**753,891.31**
Total	**653,891.31**	**753,891.31**	**653,891.31**	**753,891.31**

b) **Short term financial assets, except for investments in equity of group, multi-group and associated companies**

Details by categories are as follows:

Classes	Euros			
	Credits, derivates and others		Total	
Categories	Balances at 31-03-2024	Balances at 31-03-2023	Balances at 31-03-2024	Balances at 31-03-2023
Financial assets at amortized cost	8,485,185.63	6,377,375.68	8,485,185.63	6,377,375.68
Total	8,485,185.63	6,377,375.68	8,485,185.63	6,377,375.68

c) **Financial assets at fair value through profit or loss**

As shown in the tables above, the Company does not have this class of financial assets, nor has it carried out operations with them during the current year.

d) **Reclassifications**

During years ended of 31 March 2024 and 2023, there have been no reclassifications of elements as part of the different categories of financial assets.

e) **Compensation of financial assets and liabilities**

At the end of the 2023 and 2022 financial years, there are no financial assets and liabilities of significant amounts offset against each other in the Company's balance sheet.

f) **Assets assigned and accepted as collateral**

The Company has not assigned any financial assets as collateral to third parties, nor has it received financial assets as collateral for the collection of operations.

g) **Impairment of value due to credit risk**

As of March 31, 2024 and 2023, the movements experienced by the credit risk impairment accounts have been as follows (in euros):

	Euros	
	Impairment in commercial receivables	Impairment in financial investments
Balance at 31 March 2022	**498,542.96**	**0.00**
Impairments for the year	128,621.34	-
Collection of impaired balances	-	-
Disposals of balances (no effect on P&L)	-	-
Balance at 31 March 2023	**627,164.30**	**0.00**
Impairments for the year	304,704.52	-
Collection of impaired balances	-	-
Disposals of balances (no effect on P&L)	(298,006.59)	-
Balance at 31 March 2024	**633,862.23**	**0.00**

The net expense for impairment, due to the difference between the impairments for the year and the collection of impaired balances, was 304,704.52 euros and is recorded as losses and impairments within other operating expenses. Last year, this expense amounted to 128,621.34 euros. The derecognitions of balances without effect in the profit and loss account refer to regularizations of 100% impaired balances in previous years.

h) **Information relating to the profit and loss account**

Financial assets at amortized cost have generated a financial income, by applying the effective interest rate, of 17,779.78 euros in the year ended March 31, 2024. In the previous year they represented an income of 21,160.94 euros.

Neither in the year 2023, nor in the previous year, did the financial assets at amortized cost entail any other type of net profit or loss due to their derecognition from the books.

i) **Information on the nature and level of risk deriving form financial instruments**

Through its activity with financial instruments, the Company is exposed to credit, market and liquidity risk.

i.1) **Credit risk**

Credit risk arises from the possible loss caused by a failure to comply with contractual obligations of the Company's counterparties, i.e. the possibility of not recovering financial assets at the amount entered in accounts and within the established term.

Maximum exposure to credit risk at 31 March 2024 and 2023 is as follows:

	Euros	
	31-03-2024	31-03-2023
Financial investments	653,891.31	753,891.31
Advances to suppliers	-	-
Trade debtors and other accounts receivable	8,385,185.63	6,276,070.72
Short term financial investments	100,000.00	101,304.96
Cash and other equivalent liquid assets	961,413.67	1,554,077.29
Total	**10,100,490.61**	**8,685,344.28**

At 31 March 2024 there were different balances of trade debtors and other accounts receivable exceeding 100 million euros, for a total sum of 8,385 thousand euros (6,276 thousand euros in the previous year). Among these, three outstanding debtors whose outstanding risk at the end of this year amounts to 3,376 thousand euros, 1,633 thousand euros, 1,239 thousand euros and 850 thousand euros. As for the rest of financial assets, the dispersion of balances should guarantee a relative low risk of loss.

Also, there are no seniorities greater than six months with respect to trade debtors, given the accounting impairment policy applied by the Company and explained in note 4.

With regard to valuation corrections for impairment, detailed in section g) of this same note, they only affect financial assets valued at amortized cost, and none of them have accrued any financial income.

Maturities

Long-term financial assets include a loan maturing in December 2026 in the amount of 283,333.38 euros and bonds and deposits that do not have a predetermined maturity in the amount of 370,557.93 euros.

i.2) **Market risk**

Market risk arises from the potential loss caused by changes in fair value or in the future cash flows of a financial instrument due to changes in market prices. Market risk includes interest rate, exchange rate and other price risks.

Interest rate risk

Interest rate risk arises from the potential loss caused by changes in fair value or in the future cash flows of a financial instrument due to changes in market interest rates. The Company has at year-end financial liabilities bearing fixed interest so that there is no change in the interest rate that might have effect on the profit and loss next year.

Exchange rate risk

Exchange rate risk arises from the potential loss caused by changes in fair value or in the future cash flows of a financial instrument due to changes in exchange rates. The operations performed by the Company outside the euro zone and also denominated in currencies other than the euro are not relevant.

i.3) Liquidity risk

Liquidity risk arises due to the possibility of the Company not being to avail itself of liquid funds, or accessing them, in a sufficient amount or at the adequate cost, in order to meet its payment obligations.

At 31 March 2024 and 2023, the Company's Working Capital was as follows:

Item	Euros	
	31-03-2024	31-03-2023
Current Assets	13,056,186.86	10,864,199.85
Current Liabilities	(7,938,805.03)	(5,868,092.11)
Working Capital	**5,117,381.83**	**4,996,107.74**

Item	Euros	
	31-03-2024	31-03-2023
Current Liabilities	7,938,805.03	5,868,092.11
Cash and other equivalent liquid assets	961,413.67	1,554,077.29
Degree of coverage	**12.11%**	**26.48%**

15. EQUITY

Details of shareholders' equity at 31 March 2024 and 2023 are as follows:

	Euros	
Account	31-03-2024	31-03-2023
Share Capital	200,000.00	200,000.00
Legal Reserve	40,000.00	40,000.00
Voluntary Reserve	2,833,173.91	2,364,241.18
Other shareholders' contributions	150,000.00	150,000.00
Year-end result	51,946.44	468,932.73
Total	**3,275,120.35**	**3,223,173.91**

At the closing of the annual accounts, the share capital of the Company is composed of 1,600 fully subscribed and paid-up shares with a par value of 125 euros each. The Company's shares are not listed an any Stock Exchange.

The company's share capital belongs to TVS LOGISTICS INVESTMENT UK LIMITED

a) Legal Reserve

This stems from applying article 274 of the Consolidated Text of the Corporate Enterprises Act. This reserve can only be used to cover losses, and can only be distributed if the Company is wound up.

b) **Voluntary Reserve**

This corresponds to profits that were not distributed, as stipulated by the Shareholders' Meeting and the Company By-Laws, being thus freely available.

16. NON-CURRENT LIABILITIES

The changes in the accounts included in the different items of non-current liabilities were as follows:

Item	Euros				
	Balances at 31-03-2023	Additions	Disposals	Adjustements/ Reclassifications	Balances at 31-03-2024
Other provisions	9,451.00	15,600.00	(9,592.97)	-	15,458.03
Long term provisions	**9,451.00**	**15,600.00**	**(9,592.97)**	**0.00**	**15,458.03**
Long term loans with group companies (1)	3,757,851.16	(70,000.00)	-	131,177.31	3,819,028.47
Long-term debts with group and associated companies	**3,757,851.16**	**(70,000.00)**	**0.00**	**131,177.31**	**3,819,028.47**
Non-current liabilities	**3,767,302.16**	**(54,400.00)**	**(9,592.97)**	**131,177.31**	**3,834,486.50**

(1) Corresponds to two long-term loans received from the companies of group TVS LI UK and TVS SUPPLY CHAIN SOLUTIONS, amounting to 3,216,676.17 euros and 560,000 euros, respectively. C The first of them accrues annual interest of 3.25% and has a maturity of one year, renewable annually.

The changes undergone during the previous year for these accounts were as follows:

Item	Euros				
	Balances at 31-03-2022	Additions	Disposals	Adjustements/ Reclassifications	Balances at 31-03-2023
Other provisions	43,487.03	20,600.00	(19,517.91)	(35,118.12)	9,451.00
Long term provisions	**43,487.03**	**20,600.00**	**(19,517.91)**	**(35,118.12)**	**9,451.00**
Long term debts with credit entities	15,998.25	-	-	(15,998.25)	0.00
Long term debts	**15,998.25**	**0.00**	**0.00**	**(15,998.25)**	**0.00**
Long term loans with group companies	3,993,425.16	-	(100,000.00)	(135,574.00)	3,757,851.16
Long-term debts with group and associated companies	**3,993,425.16**	**0.00**	**(100,000.00)**	**(135,574.00)**	**3,757,851.16**
Non-current liabilities	**4,052,910.44**	**20,600.00**	**(119,517.91)**	**(186,690.37)**	**3,767,302.16**

17. SHORT-TERM DEBTS

The details of this heading at 31 March 2024 and 2023 are as follows:

	Euros	
	31-03-2024	31-03-2023
Short term debt with credit entities (1)	162,982.16	15,855.88
Other payables credits	(26,674.02)	-
Other financial liabilities	(2,057.78)	-
Total	**134,250.36**	**15,855.88**

(1) The balance for the year corresponds to the installments payable of a loan formalized in the year. The balance for the previous year included the installments payable during the year, related to the bank loan described in note nº16.

18. TRADE CREDITORS AND OTHER ACCOUNTS PAYABLE

The composition of this item is as follows:

	Euros	
	31-03-2024	31-03-2023
Suppliers	2,064,015.63	2,056,412.74
Suppliers, group companies	245,533.51	85,007.62
Miscellaneous creditors	4,550,613.11	3,014,688.70
Accrued Wages and Salaries	103,755.86	79,050.14
Current tax liabilities	31,707.23	154,715.72
Creditor Public Institutions (Note 19.e)	498,143.01	250,364.69
Advance customers	(763.15)	(763.15)
Total	**7,493,005.20**	**5,639,476.46**

19. FINANCIAL INSTRUMENTS (LIABILITIES) BROKEN DOWN BY CATEGORIES

a) Long-term financial liabilities

All financial liabilities are at amortized cost and present the following detail (in euros):

	Euros					
Classes	**Debts with credit entities**		**Derivatives and others**		**Total**	
Categories	**Balances at 31-03-2024**	**Balances at 31-03-2023**	**Balances at 31-03-2024**	**Balances at 31-03-2023**	**Balances at 31-03-2024**	**Balances at 31-03-2023**
Long term	-	-	3,819,028.47	3,757,851.16	**3,819,028.47**	**3,757,851.16**
Short term	136,308.14	15,998.25	6,961,097.18	5,234,396.05	**7,097,405.32**	**5,250,394.30**
Total	**136,308.14**	**15,998.25**	**10,780,125.65**	**8,992,247.21**	**10,916,433.79**	**9,008,245.46**

b) Financial liabilities valued at fair value with changes in the profit and loss account

As indicated in the previous section, the Company does not have in its balance sheet any financial liability valued at fair value with changes in the profit and loss account, neither at the end of the current year nor at the end of the previous year. Nor has it carried out any operations with this type of financial instruments during both years.

c) Compound financial instruments with multiple embedded derivatives

During the years 2023 and 2022, the Company has not issued any instrument that contains a liability component and an equity component. Nor does it have instruments of this type issued in years prior to those described.

d) Non-payments

The Company has not incurred any kind of non-payment of the instalments of the loans which it has contracted or been granted, nor has it been necessary to renegotiate the conditions thereof.

e) Debts with special characteristics

The Company has not contracted debts with special characteristics, as can be seen in its balance sheet at the end of the 2023 and 2022 financial years.

f) Information relating to the profit and loss account

The effect that the different financial liabilities have had on the profit and loss accounts for the years 2023 and 2022 has been 445,532.86 euros and 216,704.03 euros, respectively, of financial expenses due to the application of the effective interest rate.

g) Maturities

Financial liabilities have the following maturities:

	Euros			
	Maturities			
Item	2023	2024	No specific maturity	Total
Debts:				
Debts with credit entities	136,308.14		-	**136,308.14**
Creditors from financial leasing	-	-	-	**0.00**
Other financial liabilities	(2,057.78)	-	-	**(2,057.78)**
Debts with Group and Associate companies	-	-	3,819,028.47	**3,819,028.47**
Trade creditors and other accounts payable:				
Suppliers	2,064,015.63	-	-	**2,064,015.63**
Suppliers, group and associates companies	245,533.51	-	-	**245,533.51**
Other creditors	4,550,613.11	-	-	**4,550,613.11**
Personnel	103,755.86	-	-	**103,755.86**
Client advances	(763.15)	-	-	**(763.15)**
Total	**7,097,405.32**	**0.00**	**3,819,028.47**	**10,916,433.79**

h) Information on deferrals of payments made to suppliers. "Duty of information" third additional provision of Act 15/2010 of 5 July

Pursuant to Act 15/2010, of 5 July, modified according to Act 18/2022, of 28 September, information is provided on the average supplier payment period as stipulated in the Resolution of the Accounts Accounting and Auditing Institute (Instituto de Contabilidad y Auditoría de Cuentas) of 29 January 2016:

	Ejercicio 31-03-2024	Ejercicio 31-03-2023
Item	Days	Days
Average supplier payment period	62.81	68.27
Paid operations ratio	75.30	80.22
Operations pending payment ratio	24.70	19.78
Item	Euros	Euros
Total payments made	20,917,400.79	20,911,435.52
Total payments pending	6,860,162.25	5,156,109.06
Monetary volume of invoices paid in a period less than the maximum established in the delinquency regulations	7,815,083.40	10,658,779.33
Percentage that payments less than said maximum represent over the total payments made	37.36%	51.00%
Item	Invoices	
Invoices paid in a period less than the maximum established in the delinquency regulations	2,861.00	1,698.00
Percentage of total invoices	59.22%	61.00%

20. TAX SITUATION

In accordance with current tax legislation, taxes cannot be considered to be definitively paid until they have been verified by the Tax Authority or until the four-year legal prescription period has elapsed. The Company's last four financial years are open to inspection for all taxes to which it is subject. In the opinion of Company Management, there are no significant tax contingencies which might arise from a review of the accounts pending inspection.

a) **Reconciliation of net incomes and expenses of the year with tax base of Corporate income tax**

The reconciliation forecast correspondent to the year is as follow:

	Profit and loss account			Revenues and expenses directly posted to equity		
	Increases	Reductions	Net effect	Increases	Reductions	Net effect
Income and expenses for the year	28,056,495.26	(28,004,548.82)	51,946.44	-	-	0.00
Corporation income tax	33,594.44	-	33,594.44			
Permanent differences	-	-	0.00	-	-	0.00
Temporary differences:						
- arising over year	-	-	0.00	-	-	0.00
- arising from previous year	-	-	0.00	-	-	0.00
Offsetting of negative tax bases from previous year			0.00			0.00
Tax base (taxable profit)		**(A)**	**85,540.88**		**(B)**	**0.00**

Total tax base (A+B)	85,540.88
Tax rate	33,594.44
Deductions	-
Prepayments and withholdings performed	-
Amount payable	**33,594.44**

The correspondent to previous exercise was as follow:

	Profit and loss account			Revenues and expenses directly posted to equity		
	Increases	Reductions	Net effect	Increases	Reductions	Net effect
Income and expenses for the year	24,285,850.58	(23,816,917.85)	468,932.73	-	-	0.00
Corporate income tax	148,740.38	-	148,740.38	-	-	0.00
Permanent differences	-	-	0.00	-	-	0.00
Temporary differences:						
- arising over year	-	-	0.00	-	-	0.00
- arising from previous year	-	-	0.00	-	-	0.00
Offsetting of negative tax bases from previous year			0.00			0.00
Tax base (taxable profit)		**(A)**	**617,673.11**		**(B)**	**0.00**

Total tax base (A+B)	617,673.11
Tax rate	148,740.38
Deductions	-
Prepayments and withholdings performed	-
Amount payable	**148,740.38**

b) **Breakdown of expense / incomes by Corporate Income Tax**

Details in this year are as follow:

	Current tax	Variation in deferred tax		Total
		Assets temporary differences	Liabilities temporary differences	
Allocation to profit and loss, of which:				
- to continued operations	33,272.71	321.73	-	**33,594.44**
Allocation to equity, of which:				
- from reserves	-	-	-	**0.00**
Total	**33,272.71**	**321.73**	**0.00**	**33,594.44**

In the previous exercise, details were as follow:

	Current tax	Variation in deferred tax		Total
		Assets temporary differences	Liabilities temporary differences	
Allocation to profit and loss, of which:				
- to continued operations	148,418.64	321.74	-	**148,740.38**
Allocation to equity, of which:				
- from reserves	-	-	-	**0.00**
Total	**148,418.64**	**321.74**	**0.00**	**148,740.38**

c) **Long-term deferred tax assets**

The composition of this item is as follows:

	Euros	
	31-03-2024	31-03-2023
Non-tax deductible amortisation	643.43	965.16
Total	**643.43**	**965.16**

d) **Other short-term credits with Public Authorities**

The composition of this item is as follows (in euros):

	Euros	
	31-03-2024	31-03-2023
Value Added Tax	-	-
Withholdings and prepayments	32,329.29	96,583.50
Social Security debtors	12,892.63	9,056.41
Total	**45,221.92**	**105,639.91**

e) Other short-term debts with Public Authorities

Debts with Public Authorities are included into Trade creditors epigraph in the balance sheet. Their breakdown is as follows:

	Euros	
	31-03-2024	31-03-2023
Personal income tax	43,283.51	28,998.53
Value Added Tax	359,422.20	147,210.53
Social Security creditors	95,437.30	74,155.63
Total	**498,143.01**	**250,364.69**

f) Deferred tax assets and liabilities not registered on the balance sheet

At 31 March 2024 the Company has no outstanding tax incentives and deductions to apply.

At 31 March 2024 the Company does not have negative tax bases pending compensation.

21. INCOME AND EXPENSES

a) Net income

Details of the revenues obtained by the company from different items at 31 March 2024 and 2023 are as follows:

	Euros	
	31-03-2024	31-03-2023
Sales of Goods	10,365,763.81	7,609,376.64
Carrying out of services	17,597,460.58	16,542,134.22
Sales discount	(198,207.52)	(341,752.18)
Total	**27,765,016.87**	**23,809,758.68**

The details by activities of net income by geographical markets are as follows:

	Euros	
	31-03-2024	31-03-2023
National Sales	92.50%	93.01%
EU Sales	5.63%	6.49%
Exports	1.86%	0.51%
Total	**100.00%**	**100.00%**

b) **Supplies**

Details of the Company's supplies are as follows:

	Euros	
	31-03-2024	31-03-2023
Purchases of goods	8,654,258.01	6,231,458.38
Variation in Stocks of Raw Materials	(229,813.41)	(684,951.69)
Works performed by other companies	12,806,694.38	12,782,232.59
Impairment losses of merchandises	11,000.00	(7,495.78)
Total	**21,242,138.98**	**18,321,243.50**

Purchases of goods and works performed by other companies in charge of Society have been made in the following geographical markets:

	Euros	
	31-03-2024	31-03-2023
National Purchases	77.23%	82.80%
EU Purchases	5.83%	4.80%
Imports	16.94%	12.40%
Total	**100.00%**	**100.00%**

c) **Personnel**

The average number of employees during the year ended at 31 March 2024, distributed by professional category, and the number of employees at 31 March 2024, distributed by sex is as follows:

Professional Category	Average No. of employed over year	Personnel at year end		
		Women	Men	Total
Manager	1.00	-	1	1
Head of Administration	9.00	3	1	4
Administrative Officer 1st	17.47	12	5	17
Administrative Officer 2nd	1.00	1	-	1
Commercial	2.25	-	3	3
Analyst	1.00	-	1	1
Administrative Assistant	5.00	4	2	6
Head of warehouse	1.00	-	4	4
Team Leader	15.00	-	15	15
Warehouse	57.90	8	50	58
Computer Technician	3.00	-	3	3
Foreman	0.60	-	1	1
Other	1.00	1	1	2
Total	**115.22**	**29**	**87**	**116**

The breakdown by professional categories of employees with a handicap in excess of 33% is as follows:

Professional Category	Average No. of employed over year 2023	Average No. of employed over year 2022
Administrative Assistant	0.26	-
Warehouse	-	0.09
Total	**0.00**	**0.09**

Furthermore, the Sole Administrator is represented by a man.

Moreover, the average number of employees during the year ended 31 March 2023, broken down by professional categories, was the following:

Professional Category	Average No. of employed over year	Personnel at year end		
		Women	Men	Total
Manager	1.00	-	1	1
Head of Administration	5.00	3	2	5
Administrative Officer 1st	12.02	9	3	12
Commercial	2.00	-	2	2
Analyst	1.00	-	1	1
Administrative Assistant	5.14	5	1	6
Head of w arehouse	3.00	-	3	3
Officer 1st	1.09	-	1	1
Team Leader	14.01	-	13	13
Warehouse	36.64	6	33	39
Computer Technician	2.40	-	2	2
Scholar	1.10	-	-	0
Total	**84.40**	**23**	**62**	**85**

Details of personnel expenses are as follows:

	Euros	
	31-03-2024	31-03-2023
Wage and salaries	2,979,631.62	2,236,077.55
Compensations	54,405.62	30,201.58
Social Security contributions payable by the company	854,984.18	688,395.48
Other Staff expenses	150,271.91	113,804.45
Total	**4,039,293.33**	**3,068,479.06**

d) **Other operating expenses**

The distribution of this heading in the last two year is as follows:

	Euros	
	31-03-2024	31-03-2023
External Services (1)	1,331,977.77	1,500,673.26
Tax	104,113.50	123,616.15
Losses, deterioration and variation of provisions for trade operations	304,704.52	(96,629.34)
Other normal management expenses	(0.36)	-
Total	**1,740,795.43**	**1,527,660.07**

(1) External Services:

	Euros	
	31-03-2024	31-03-2023
R&D Expenses	171,476.18	143,969.39
Rent and royalties	395,213.80	548,705.32
Repair and upkeep	80,063.45	89,659.50
Services by independent professionals	44,426.95	20,323.44
Transport	6,011.97	17,621.86
Insurance premiums	25,095.27	37,166.48
Banking and similar services	135,020.77	85,339.29
Advertising and Public Relations	17,534.55	19,928.22
Supplies	49,721.17	63,807.94
Other services	407,413.66	474,151.82
Total	**1,331,977.77**	**1,500,673.26**

22. RELATED PARTIES TRANSACTIONS

Transactions carried out with related parties and their impact on the different items of the balance sheet and the profit and loss account during the year ended at 31 March 2024 and 2023 are summarized as follows:

	Exercise 31-03-2024		Exercise 31-03-2023	
Transaction type **(profit and loss account)**	Parent company of group	Other group companies	Parent comany of group	Other group companies
Purchases of goods	-	-	-	-
External expenses	-	(272,977.27)	-	(146,041.23)
Other expenses	-	(56,846.77)	-	(57,020.52)
Financial expenses	-	(132,350.71)	-	(100,842.45)
Foreign exchange differences	-	(131,177.31)	-	135,574.00

	Exercise 31-03-2024		Exercise 31-03-2023	
Transaction type **(balance sheet sums)**	Parent company of group	Other group companies	Parent comany of group	Other group companies
Long term debts	-	(3,819,028.47)	-	(3,757,851.16)
Short-term clients	-	1,474.54	-	5,199.13
Short-term suppliers	(1,000.00)	(244,533.51)	(2,000.00)	(83,007.62)

23. OTHER INFORMATION

a) Directors and Senior Management

There are no remunerations accrued during the year by the Sole Administrator or Senior Management personnel.

At 31 March 2024 and 2023, the Company had not taken out pension or life insurance obligations to the Sole Administrator, nor has it accepted obligations on their behalf as guarantees.

At the closing date of the 2023 and 2022 years, no advances have been made to the Sole Administrator.

Furthermore, in compliance with article 229 of the Corporate Enterprises Act, the Sole Administrator has informed to the Company itself, that there are no conflicts between persons or companies related to them and the interests of the Company

b) **Guarantees arranged with third parties**

At 31 March 2024, the Company had two guarantees with credit institutions amounting to 15,000 and 47,000 euros. At 31 March 2023, the Company had two guarantees with credit entities amounting to 15,000 and 47,000 euros.

Likewise, the Company is in possession of a real property renting contract secured by TVS LOGISTICS INVESTMENT, UK LIMITED for an amount of 682,039.80 euros.

c) **Environmental Information**

Given the characteristics of the work performed by the Company, it was not necessary to make any type of accounting entry for expenses or investments related to operations designed to prevent, reduce, or repair damages to the environment. The Company's management therefore does not believe there is a risk of any significant contingency related to environment protection and improvement.

d) **Auditors' fees**

The fees for auditing services of the Company for the year ended 31 March 2024 amounted to 6,475.-euros (6,255.-euros in the year ended 31 March 2023).

24. SUBSEQUENT EVENTS

Since March 31, 2024 and until the date of formulation of these annual accounts, there have been no additional relevant events that require the expansion or modification of the content of these annual accounts.

MARCH 2024 ANNUAL REPORT

The Sole Manager of TVS LOGISTICS IBERIA, S.L.U. on 30 April 2024 has drawn up the annual accounts for 31 March 2024, proceeding to sign the pertinent pages.

TVS LOGISTICS INVESTMENT, UK LIMITED
N.I.F: N8262128E

Represented by Sr. David Martínez Balsa
N.I.F: 43729085J

TVS LOGISTICS IBERIA, S.L.

Management Report of the Company

MANAGEMENT REPORT OF TVS LOGISTICS IBERIA, S.L. CORRESPONDING TO THE YEAR ENDED ON 31 MARCH 2024

The Company was incorporated on 4 November 2004. Its registered offices are at Avenida Ports de Europa, 50-52 ZAL (Logistics Zone) Barcelona. Its business purpose consists of logistic services, logistic applications, transport and import and export of vehicles. All the services are related to the auto industry

BUSINESS PERFORMANCE DURING THE YEAR

1. SALES
2. RESULT
3. ENVIRONMENT
4. PERSONAL
5. AVERAGE SUPPLIER PAYMENT PERIOD
6. SYNTHESIS

1. SALES

Sales for the year 2023 have amounted to 27,765,016.87 euros (23,809,758.68 euros in 2022). This represents an increase of 16,61 % over the previous financial year.

2. RESULT

The result or profit before tax from ordinary activities amounts to 85,540,88 euros, which represents a decrease compared to the previous year, which was 468,932.73 euros.

3. ENVIRONMENT

The company has not charged during the year 2023 accounting expenses related to operations dedicated to preventing, reducing or repairing damage on Environment.

4. PERSONAL

As of 31 March 2024, TVS LOGISTICS IBERIA, S.L. has kept its average workforce compared to the previous year, to 116 workers. Apart of this growth, there are no issues related to the staff that could affect the understanding of the evolution of the company.

5. AVERAGE SUPPLIER PAYMENT PERIOD

As reported in the accompanying financial statements of this year, the average supplier payment period has been 62.81 days, according to the calculation method set out in the Resolution of 29 January 2016 the Institute of Accounting and Auditing accounts.

6. SYNTHESIS

As it can be seen in the Balance Sheet and Profit and Loss Account, the Company has developed properly its activities and keeps on demonstrating a good performance. It should be noted, one more year, the positive balance of the working capital, showing the comfortable financial situation of the Company.

FORESEEABLE EVOLUTION

We expect to maintain the solid financial situation for the year 2024. Moreover, we expect a growth, or at least a maintenance, of the turnover of the Company and its generated benefits.

OWN SHARE TRANSACTIONS

The Company has not carried out any operation with shares issued by itself, nor does it hold any treasury stock.

David Martínez Balsa
Represented of the Sole Manager (TVS LOGÍSTICS INVESTMENT UK LIMITED)

Barcelona, 30 April 2024

TVS Supply Chain Solutions GmbH

FY 2023-24

Wissler & Protzen
Wirtschaftsprüfer | Steuerberater | Rechtsanwälte

Wissler & Protzen · Postfach 10 05 71 · 76486 Baden-Baden

TVS Supply Chain Solutions GmbH
Herrn Holger Mohr
Im Rollfeld 30
76532 Baden-Baden

Baden-Baden, den 20.06.2024
MP/sz/zo

Confirmation

Ladies and Gentlemen,

according to § 319 (1) 1 HGB, the annual financial statements and the management report of corporations that are not small within the meaning of § 267 (1) HGB are to be audited by an auditor. § 267 (1) HGB provides that companies are "small" if at least two of the following three characteristics are not exceeded:

1. Total assets of € 7,5 million.
2. € 15 million in sales in the twelve months preceding the balance sheet date.
3. an annual average of 50 employees.

The following values were found for TVS Supply Chain Solutions GmbH:

	2023	**2024**
Total assets	754	714
Sales	264	0
Employees	0	0

All criteria were within the categories for small companies. The TVS Supply Chain Solution GmbH is therefore no subject to audit.

Do not hesitate to contact us.

Kind regards

Matthias Protzen
Wirtschaftsprüfer
Rechtsanwalt

Pi "ler & Ff0t/en

Wirtschaftsprüfer | Steuerberater | Rechtsanwälte

Report on the preparation of the annual

financial statements as at 31 March

2024 of TVS Supply Chain Solutians

GmbH, Baden-Baden

19.04.2024

Report no.: 2024/35050/01/04

Table of contents

1. Order acceptance

1.1 Client and Order delimitation

The management of the

TVS Supply Chain Solutions GmbH,

Baden-Baden

- hereinafter also referred to as "TVS SCS" or the "Company" for short

commissioned us to prepare the annual financial statements as at 31 March 2024 from the documents, books and records submitted to us, which we have not audited in accordance with our engagement, taking into account the information provided in accordance with statutory requirements and the client's instructions for exercising existing options within this framework.

The contract awarded to us to prepare the annual financial statements comprised all activities required to prepare the annual financial statements, consisting of the balance sheet and the income statement, in accordance with commercial law, on the basis of the accounting records and the inventory, as well as the information obtained on recognition, disclosure and measurement issues and the requirements on the accounting and measurement methods to be applied, while making the closing entries.

Our engagement to prepare the annual financial statements did not extend beyond the aforementioned type of engagement, which is why there is no extended responsibility for us as auditors in this respect.

Irrespective of the engagement issued to us, the obligation to prepare the annual financial statements was incumbent on the legal representatives of the company, who were responsible for deciding on the exercise of all options and legal acts associated with the preparation of the annual financial statements. We informed our engagement partner of such matters that gave rise to judgements and obtained from our engagement partner instructions on the exercise of substantive and formal judgements (recognition, measurement and disclosure options) and discretionary decisions.

This also applied to the decisions to be made by our client regarding the application of preparation exemptions and the possibility of filing the annual financial statements for micro-corporations in accordance with the MicroBilG.

1.2 Order fulfilment

We have accepted the engagement by letter of confirmation dated 20 March 2024 on the basis of the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften issued by the Institut der Wirtschaftsprüfer in Deutschland e. V. (IDW) in the version dated 1 January 2024, which are attached to this report as an appendix. Contrary to Section 9 (2) of the General Engagement Terms, we have limited our liability to one million euros in accordance with Section 54a (1) No. 1 WPO in cases of conceivable damage caused by negligence. Our liability - also towards third parties - is based solely on the aforementioned engagement terms.

Our work was performed on the basis of the IDW standard "Principles for the Preparation of Financial Statements by Auditors" (IDW S 7 (03.2021)).

Regardless of the nature of our engagement, the preparation of the annual financial statements comprises the activities required to prepare the balance sheet and income statement required by law on the basis of the accounting records and the inventory as well as the accounting and valuation methods to be applied while making the closing entries.

Within the scope of our engagement, we have complied with the legal requirements for the preparation of annual financial statements and generally accepted accounting principles. Compliance with other legal requirements and the detection and investigation of criminal offences and administrative offences committed outside the scope of accounting were not part of our engagement, nor was the assessment of the nature and adequacy of insurance coverage.

In preparing the annual financial statements, we have observed the principles of economic efficiency and materiality.

We carried out the order in the period from 16/04/2024 to 19/04/2024 with interruptions in our business premises in Baden-Baden.

The management has provided us with the requested declaration of completeness in writing with regard to the accounting, supporting documents and inventory records as well as the information provided to us, which we have placed on file.

In accordance with our engagement, we report on the scope and results of our activities to the extent customary in the profession.

We have provided the company with the documents relating to the preparation of the annual financial statements.

We have also informed our client of the statutory deadlines for the preparation, adoption and disclosure of the annual financial statements.

Our engagement agreements stipulate that reference to the preparation by us may only be made in connection with the complete annual financial statements prepared by us.

When accepting the order, we have stipulated by using the order agreements from our client that the documents and information required for the execution of the order will be provided to us in full.

2. Type and scope of the creation work

2.1 Preparation of the annual financial statements

The subject of the preparation without judgement is the development of the balance sheet and the income statement on the basis of the accounting records and the inventory as well as the requirements for the accounting and valuation methods to be applied.

Our engagement to develop the annual financial statements in accordance with the standards on the basis of the documents submitted, taking into account the information received and the closing entries made, did not extend to assessing the appropriateness and functioning of internal controls or the correctness of the accounting records. In particular, the scope of our engagement did not include the assessment of inventories, accruals and deferrals, recognition and measurement.

If entries were made in the financial statements, e.g. the calculation of depreciation and amortisation, value adjustments and provisions, these were based on the documents submitted and information provided without an assessment of their accuracy.

Even if, in accordance with the terms of the engagement, no appraisals of the supporting documents, books and inventory records are carried out when preparing the financial statements without appraisals, we draw our client's attention to obvious inaccuracies in the documents submitted, which immediately come to our attention as experts during the performance of the engagement, make suggestions for correction and ensure that they are implemented accordingly in the annual financial statements.

2.2 Documentation

We have recorded the nature, scope and results of the individual preparation activities carried out during the performance of our engagement in our working papers, unless they are documented in this preparation report.

3. Basics of the annual financial statements

3.1 Activities of the company

The company has been a dormant company since the 2022/2023 financial year.

3.2 Accounting standards

The company is a micro-corporation within the meaning of Section 267a HGB. When preparing the annual financial statements, the general German accounting regulations applicable to corporations in Sections 238 to 288 HGB and the standards of the GmbHG must therefore be observed.

In addition, the company fulfils the size criteria of a micro-corporation within the meaning of § Section 276a of the German Commercial Code (HGB) and has made use of the simplification options provided by the German Accounting Simplification for Micro-Corporations Act (MicroBilG).

3.3 Accounting and inventory, information provided

The accounting was prepared on the company's IT systems. According to a certificate issued by Ernst & Young GmbH on 28 March 2024, the DATEV eG Rechnungswesen pro accounting software used fulfils the requirements for proper financial accounting and development of the annual financial statements.

All information, clarifications and evidence requested were readily provided by the management and the employees appointed to provide information.

3.4 Findings on the basis of the annual financial statements

The applicable valuation regulations under commercial law were observed; the valuation methods applied in the previous annual financial statements were retained.

The legal representatives assume that the company will continue as a going concern and have instructed us to take this into account in the preparation of the annual financial statements. We have had the assumptions underlying this requirement explained to us and, in accordance with the mandate given to us to prepare the financial statements without judgement, we have examined whether, on the basis of the documents available to us and the circumstances otherwise known to us, there are any factual or legal circumstances that could prevent the company from continuing as a going concern. On the basis of this information, we believe that the legal representatives' requirement is reasonable.

The **trade receivables** are based on open item lists. No specific valuation allowances were recognised as these were meaningful and fully realisable. General bad debt allowances were not recognised as there were no bad debts in previous years and it was expressly stated to us that all trade receivables are recoverable.

Cash book and account statements from **banks and credit institutions** were available and were reconciled with the corresponding accounting accounts.

The **other assets**, **other provisions** and **other liabilities** were documented for us (e.g. by statistics, contracts, audit report and tax assessments).

Receivables from affiliated companies include a loan to a sister company that is denominated in euros. According to the information provided, the balance was reconciled with the company. The balance and solvency were expressly confirmed to us by the debtor. Interest was settled at the end of the financial year.

The **accruals and deferrals** were recognised by us on the basis of the documents submitted to us.

Our preparation was **based on** the previous year's financial statements as at 31 March 2023 prepared by Wissler & Protzen, Wirtschaftsprüfer, Steuerberater, Rechtsanwälte, Baden-Baden, and certified on 19 April 2023.

The annual financial statements were prepared on our **IT systems.** The Kanzlei-Rechnungswesen pro software from DATEV eG in Nuremberg used for this purpose fulfils the requirements for proper financial accounting and development of the annual financial statements according to a certificate issued by Ernst & Young GmbH on 28 March 2024.

Where **postings** arose in the course of preparing our annual financial statements, we agreed these with the management of our client. The closing entries were made until the completion of our work.

The individual items of the balance sheet and income statement are presented in the **notes.**
presented in detail.

4. Comments on the documents, books and inventory records submitted

In the case of an order placed for preparation without appraisals, it is not necessary to comment on the documents, books and inventory records submitted because no special features were identified.

5. Results of the work and Concluding remarks

The certificate for the annual financial statements prepared by us does not contain any additions.

We did not raise any significant objections to individual valuations or accounting methods used by the client.

Baden-Baden, 19 April 2024
Wissler & Protzen

Matthias Protzen Auditor

Annual financial

statements as at

31/03/2024

of TVS Supply Chain Solutions GmbH,

Baden-Baden

TVS Supply Chain Solutions GmbH, Baden-Baden

Balance sheet as at 31 March 2024

ASSETS

	€	Financial year €	Previous year €
A. Current assets			
I. Receivables and other assets			
1. trade receivables	44.798,41		8.478,04
2. receivables from affiliated companies	648.521,61		675.521,61
3. other assets	18.721,30		9.790,95
		712.041,32	693.790,60
II. Cash on hand, Bundesbank balances, credit at banks and cheques		1.637,65	58.394,35
Total current assets		713.678,97	752.184,95
B. Prepaid expenses and deferred charges		401,22	2.235,72
		714.080,19	**754.420,67**

PASSIVA

	€	Financial year €	Previous year €
A. Equity capital			
I. Subscribed capital		25.000,00	25.000,00
II. Profit carried forward		460.304,67	0,00
III. Net loss for the year		39.895,49	43.665,56
IV. Carried forward to new account		0,00	503.970,23
Total equity		445.409,18	485.304,67
B. Provisions			
1. tax provisions	264.458,00		261.658,00
2. other provisions	4.000,00		7.308,00
		268.458,00	268.966,00
C. Liabilities			
1. trade payables from deliveries and services gen - of which with a remaining term of up to one year € 213.01 (€ 150.00)		213,01	150,00
		714.080,19	**754.420,67**

TVS Supply Chain Solutions GmbH, Baden-Baden

Income statement
for the period from 01.04.2023 to 31.03.2024

	€	Financial year €	Previous year €
1. Sales revenue		0,00	263.730,97
2. Other operating income		1.030,51	13.855,10
3. personnel expenses			
a) Wages and salaries	0,00		-3.157,75
b) Social security contributions and expenses for pensions and other benefits	0,00		859,89
		0,00	-2.297,86
4. depreciation and amortisation			
a) intangible fixed assets and property, plant and equipment		0,00	-7.268,00
5. other operating expenses		-82.050,37	-342.599,39
6. other interest and similar income - thereof from affiliated companies € 36,320.37 (€ 22,431.05)		36.320,37	22.431,05
7. taxes on income and earnings		4.804,00	8.830,00
8. earnings after taxes		**-39.895,49**	**-43.318,13**
9. other taxes		0,00	-347,43
10. net loss for the year		**-39.895,49**	**-43.665,56**

Disclosures below the balance sheet

Information on the identification of the company according to the register court

Company name according to the register court: TVS Supply Chain Solutions

GmbH Registered office according to the register court: Baden-Baden

Register entry:	Commercial register
Register court:	Local court Mannheim
Register no:	725056

Baden-Baden, 19 April 2024

Holger Mohr Andrew Jones

Certificate

to the annual financial statements 2024

of TVS Supply Chain Solutions GmbH,

Baden-Baden

Auditor's certificate on the preparation of the financial statements

To TVS Supply Chain Solutions GmbH

In accordance with our engagement, we have prepared the accompanying annual financial statements - comprising the balance sheet and the income statement - of TVS Supply Chain Solutions GmbH for the financial year from 1 April 2023 to 31 March 2024 in compliance with German commercial law.

The basis for the preparation was the documents, books and inventory records submitted to us, which we did not audit in accordance with our engagement, as well as the information provided to us.

The maintenance of the books and records and the preparation of the inventory and annual financial statements in accordance with German commercial law are the responsibility of the Company's management.

We conducted our engagement in accordance with the IDW Standard: Principles for the Preparation of Financial Statements (IDW S 7 (03.2021)). This comprises the development of the balance sheet and the income statement on the basis of the accounting records and the inventory as well as the specifications on the accounting and valuation methods to be applied.

Baden-Baden, 19 April 2024
Wissler & Protzen

Matthias Protzen Auditor

Statement of accounts

to the annual financial statements 2024

of TVS Supply Chain Solutions GmbH,

Baden-Baden

Statement of accounts for the balance sheet items as at 31/03/2024 Assets

A. Current assets

I. Receivables and other assets

1. Trade receivables from goods and services

		31.03.2024 €	31.03.2023 €
1200	Receivables from L+L	44.798,41	8.478,04
		44.798,41	8.478,04

The trade receivables are due from a sister company of TVS Supply Chain Solutions UK.

2. Receivables from affiliated companies

		31.03.2024 €	31.03.2023 €
1261	Receivables from affiliated UN (b. 1 J)	648.521,61	675.521,61
		648.521,61	675.521,61

Receivables from affiliated companies relate to a loan to TVS Chain Solutions Limited.

3. Other assets

		31.03.2024 €	31.03.2023 €
1304	General receivables	1.326,85	0,00
1406	Deductible input tax 19%	14.250,68	46.900,23
1407	Deductible input tax § 13b UStG 19%	0,00	3.438,15
1450	Corporate income tax reclaim	16.324,00	8.720,00
3806	Value added tax 19%	0,00	-52.088,89
3820	Value added tax prepayments	-13.180,23	6.259,61
3837	Value added tax according to § 13b UStG 19%	0,00	-3.438,15
		18.721,30	9.790,95

II. Cash on hand, Bundesbank balances, bank balances and cheques

		31.03.2024 €	31.03.2023 €
1600	Cash desk	265,36	265,36
1810	Volksbank pur eG 63855405	1.372,29	58.128,99
		1.637,65	58.394,35

Total current assets **713.678,97 €**
Previous year: 752.184,95 €

B. Prepaid expenses and deferred charges

		31.03.2024 €	31.03.2023 €
1900	Prepaid expenses and deferred charges	401,22	2.235,72
		401,22	2.235,72

Total assets **714.080,19 €**
Previous year: 754.420,67 €

Statement of accounts for the balance sheet items as at 31/03/2024 Equity and liabilities

A. Equity capital

I. Subscribed capital

		31.03.2024 €	31.03.2023 €
2900	Subscribed capital	25.000,00	25.000,00
		25.000,00	25.000,00

II. Profit carried forward

		31.03.2024 €	31.03.2023 €
2979	Carried forward to new account (balance sheet)	460.304,67	0,00
		460.304,67	0,00

III. Net loss for the year

		31.03.2024 €	31.03.2023 €
	Net loss for the year	39.895,49	43.665,56
		39.895,49	43.665,56

IV. Carried forward to new account

		31.03.2024 €	31.03.2023 €
2979	Carried forward to new account (balance sheet)	0,00	503.970,23
		0,00	503.970,23

Total equity	**445.409,18**	**€**
Previous year:	485.304,67	€

B. Provisions

1. Tax provisions

		31.03.2024 €	31.03.2023 €
3035	Trade tax provision § 4 (5b) EStG	142.968,00	140.168,00
3040	Corporation tax provision	121.490,00	121.490,00
		264.458,00	261.658,00

2. Other provisions

		31.03.2024 €	31.03.2023 €
3070	Other provisions	0,00	308,00
3095	Provisions for financial statements and audit	4.000,00	7.000,00
		4.000,00	7.308,00

C. Liabilities

1. Liabilities from deliveries and services

		31.03.2024 €	31.03.2023 €
3300	Trade accounts payable	213,01	150,00
		213,01	150,00

Total liabilities		**714.080,19**	**€**
	Previous year:	754.420,67	€

Statement of accounts for the items in the income statement for the period from 1 April 2023 to 31 March 2024

1. Sales revenue

		31.03.2024 €	31.03.2023 €
4010	Reichhart sales revenue	0,00	44.424,17
4405	DB Cargo revenue 19%	0,00	218.941,92
4407	Other Revenue 19% VAT	0,00	364,88
		0,00	263.730,97

2. Other operating income

		31.03.2024 €	31.03.2023 €
4844	Revenue from sale of property, plant and equipment § 4 No. 1a UStG,Buchg	0,00	3.335,00
4845	Proceeds from sale of property, plant and equipment 19% VAT, BG	0,00	10.421,00
4855	Disposals of property, plant and equipment Residual carrying amount at BG	0,00	-980,00
4960	Income relating to other periods	1.030,51	0,00
4970	Insurance compensation, damages	0,00	1.079,10
		1.030,51	13.855,10

3. Personnel expenses

a) Wages and salaries

		31.03.2024 €	31.03.2023 €
6010	Salaries direct	0,00	-3.157,75
		0,00	-3.157,75

b) Social security contributions and expenses for pensions and other employee benefits

		31.03.2024 €	31.03.2023 €
6120	Contributions to the employers' liability insurance association	0,00	859,89
		0,00	859,89

4. Depreciation and amortisation

a) on intangible fixed assets and property, plant and equipment

		31.03.2024 €	31.03.2023 €
6220	Depreciation of property, plant and equipment	0,00	-7.268,00
		0,00	-7.268,00

5. Other operating expenses

		31.03.2024 €	31.03.2023 €
6300	Other operating expenses	0,00	-163.387,06
6307	Re-invoicing of other services	0,00	-64,88
6311	Rent Building Service charges Eisenach	0,00	37.486,80
6400	Insurances	-1.762,50	-4.703,43
6430	Other levies	-607,00	-548,13
6460	Repair/Maintain. Plant and machinery	0,00	-954,33
6495	Maintenance costs for hardware and software	0,00	-23.944,04
6520	Motor vehicle insurance	0,00	-1.124,06
6530	Current vehicle operating costs	0,00	-1.210,98
6540	Car repairs	0,00	-4.379,10
6560	Car hire leasing	0,00	-5.142,93
6805	Telephone landline	0,00	-931,48
6806	Mobile phone costs	-815,92	-2.134,72
6810	Internet costs	0,00	-6.485,19
6825	Legal and consulting costs	-4.197,50	-186,00
6827	Closing and audit costs	-1.118,55	-6.706,27
6829	Management Charge	0,00	-79.440,00
6830	Accounting costs	-65.323,24	-65.296,89
6840	Rental leasing of movable office equipment	0,00	-70,60
Carry forward		-73.824,71	-329.223,29

		31.03.2024 €	31.03.2023 €
Carry forward		-73.824,71	-329.223,29
6855	Ancillary costs of monetary transactions	-420,99	-350,92
6895	Disposals of property, plant and equipment Net book value at BV	0,00	-12.756,16
6960	Expenses relating to other periods	-7.804,67	0,00
6969	Other expenses irregular	0,00	-269,02
		-82.050,37	-342.599,39

6. Other interest and similar income

		31.03.2024 €	31.03.2023 €
7119	Other interest income from affiliated companies	36.320,37	22.431,05
		36.320,37	22.431,05

7. Taxes on income and earnings

		31.03.2024 €	31.03.2023 €
7600	Corporate income tax	7.211,00	8.319,00
7608	Solidarity surcharge	393,00	453,00
7610	Trade tax	-2.800,00	58,00
		4.804,00	8.830,00

8. Result after taxes **39.895,49- €**

Previous year: 43.318,13- €

9. Other taxes

		31.03.2024 €	31.03.2023 €
7685	Motor vehicle taxes	0,00	-347,43
		0,00	-347,43

10.net loss for the year **39.895,49 €**

Previous year: 43.665,56 €

Legal and tax fundamentals of TVS

Supply Chain Solutions GmbH,

Baden-Baden as

of 31 March

2024

Legal and tax Bases

Company	TVS Supply Chain Solutions GmbH
Seat	Baden-Baden
Commercial register	Local Court Mannheim, HRB 725056
Partnership agreement	dated 08/03/2016 with amendments dated 27/04/2016 and 08/09/2016
Object of the company	The object of the company is the provision of services services in the area of sequencing and subassemblies as well as road haulage. The company may operate in related fields and conduct all business related to the object of the company. The company may establish, lease or acquire other companies in Germany and abroad, invest in such other companies by acquiring shares or other interests, including by assuming personal liability as a shareholder or the office of managing director, and establish and close branches in Germany and abroad.
Financial year	01.04. to 31.03.

Share capital and shareholders

	€	%
TVS Logistics Investment UK Limited, Chorley/GB	25.000,00	100

Managing Director	Mr Andrew Jones, Warrington/GB Mr Holger Mohr, Kuppenheim If only one managing director has been appointed, he shall represent the company alone. If several managing directors have been appointed, each managing director shall represent the company jointly with another managing director or an authorised signatory.

The managing directors are authorised to act as sole representatives with the authority to conclude legal transactions on behalf of the company in their own name or as representatives of a third party.

By shareholder resolution, all or individual managing directors may be granted sole power of representation and exemption from the restrictions of Section 181 BGB.

Previous year's financial statements The annual financial statements as at 31 March 2023 of TVS Supply Chain Solu-

tions GmbH, Baden-Baden, was prepared by Wissler & Protzen, Wirtschaftsprüfer, Steuerberater, Rechtsanwälte, Baden-Baden, and certified on 19 April 2023.

Shareholder-
meetings On 15 May 2023, the annual financial statements for 2022/2023 were the minutes, the following resolutions were adopted:

1. The annual financial statements as at 31 March 2023 are adopted.
2. The net loss for the year amounts to € 43,665.56. This will be carried forward to new account.
3. The actions of the Managing Directors, Mr Andrew Jones and Mr Holger Mohr, are approved for the 2022/2023 financial year.

Disclosure The annual financial statements as at 31 March 2023 were published on 28 November 2023 at the

electronic Federal Gazette and published on 8 January 2024.

Material contracts There are no material contracts.

Significant changes
after the reporting date were not available.

Third-party audits In 2020/2021, a tax audit was carried out by the German Pension insurance Berlin-Brandenburg for the audit period from 25 July 2016 to 31 December 2019. The audit did not result in any findings.

Tax situation

The company is registered with the Baden-Baden tax office.
Bühl under the tax number 36057/64102.

The tax returns were submitted to the tax office up to and including 2021. The assessments were not issued subject to review in accordance with Section 164 AO.

General Engagement Terms for

German Public Auditors and Public

Audit Firms

Allgemeine Auftragsbedingungen

für
Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften

vom 1. Januar 2024

1. Geltungsbereich

(1) Die Auftragsbedingungen gelten für Verträge zwischen Wirtschaftsprüferinnen, Wirtschaftsprüfern oder Wirtschaftsprüfungsgesellschaften (im Nachstehenden zusammenfassend „Wirtschaftsprüfer" genannt) und ihren Auftraggebern über Prüfungen, Steuerberatung, Beratungen in wirtschaftlichen Angelegenheiten und sonstige Aufträge, soweit nicht etwas anderes ausdrücklich in Textform vereinbart oder gesetzlich zwingend vorgeschrieben ist.

(2) Dritte können nur dann Ansprüche aus dem Vertrag zwischen Wirtschaftsprüfer und Auftraggeber herleiten, wenn dies vereinbart ist oder sich aus zwingenden gesetzlichen Regelungen ergibt. Im Hinblick auf solche Ansprüche gelten diese Auftragsbedingungen auch diesen Dritten gegenüber. Einreden und Einwendungen aus dem Vertragsverhältnis mit dem Auftraggeber stehen dem Wirtschaftsprüfer auch gegenüber Dritten zu.

2. Umfang und Ausführung des Auftrags

(1) Gegenstand des Auftrags ist die vereinbarte Leistung, nicht ein bestimmter wirtschaftlicher Erfolg. Der Auftrag wird nach den Grundsätzen ordnungsmäßiger Berufsausübung ausgeführt. Der Wirtschaftsprüfer übernimmt im Zusammenhang mit seinen Leistungen keine Aufgaben der Geschäftsführung. Der Wirtschaftsprüfer ist für die Nutzung oder Umsetzung der Ergebnisse seiner Leistungen nicht verantwortlich. Der Wirtschaftsprüfer ist berechtigt, sich zur Durchführung des Auftrags sachverständiger Personen zu bedienen.

(2) Die Berücksichtigung ausländischen Rechts bedarf – außer bei betriebswirtschaftlichen Prüfungen – der ausdrücklichen Vereinbarung in Textform.

(3) Ändert sich die Sach- oder Rechtslage nach Abgabe der abschließenden beruflichen Äußerung, so ist der Wirtschaftsprüfer nicht verpflichtet, den Auftraggeber auf Änderungen oder sich daraus ergebende Folgerungen hinzuweisen.

3. Mitwirkungspflichten des Auftraggebers

(1) Der Auftraggeber hat dafür zu sorgen, dass dem Wirtschaftsprüfer alle für die Ausführung des Auftrags notwendigen Unterlagen und weiteren Informationen rechtzeitig übermittelt werden und ihm von allen Vorgängen und Umständen Kenntnis gegeben wird, die für die Ausführung des Auftrags von Bedeutung sein können. Dies gilt auch für die Unterlagen und weiteren Informationen, Vorgänge und Umstände, die erst während der Tätigkeit des Wirtschaftsprüfers bekannt werden. Der Auftraggeber wird dem Wirtschaftsprüfer geeignete Auskunftspersonen benennen.

(2) Auf Verlangen des Wirtschaftsprüfers hat der Auftraggeber die Vollständigkeit der vorgelegten Unterlagen und der weiteren Informationen sowie der gegebenen Auskünfte und Erklärungen in einer vom Wirtschaftsprüfer formulierten Erklärung in gesetzlicher Schriftform oder einer sonstigen vom Wirtschaftsprüfer bestimmten Form zu bestätigen.

4. Sicherung der Unabhängigkeit

(1) Der Auftraggeber hat alles zu unterlassen, was die Unabhängigkeit der Mitarbeiter des Wirtschaftsprüfers gefährdet. Dies gilt für die Dauer des Auftragsverhältnisses insbesondere für Angebote auf Anstellung oder Übernahme von Organfunktionen und für Angebote, Aufträge auf eigene Rechnung zu übernehmen.

(2) Sollte die Durchführung des Auftrags die Unabhängigkeit des Wirtschaftsprüfers, die der mit ihm verbundenen Unternehmen, seiner Netzwerkunternehmen oder solcher mit ihm assoziierten Unternehmen, auf die die Unabhängigkeitsvorschriften in gleicher Weise Anwendung finden wie auf den Wirtschaftsprüfer, in anderen Auftragsverhältnissen beeinträchtigen, ist der Wirtschaftsprüfer zur außerordentlichen Kündigung des Auftrags berechtigt.

5. Berichterstattung und mündliche Auskünfte

Soweit der Wirtschaftsprüfer Ergebnisse im Rahmen der Bearbeitung des Auftrags in gesetzlicher Schriftform oder Textform darzustellen hat, ist allein diese Darstellung maßgebend. Entwürfe solcher Darstellungen sind unverbindlich. Sofern nicht anders gesetzlich vorgesehen oder vertraglich vereinbart, sind mündliche Erklärungen und Auskünfte des Wirtschaftsprüfers nur dann verbindlich, wenn sie in Textform bestätigt werden. Erklärungen und Auskünfte des Wirtschaftsprüfers außerhalb des erteilten Auftrags sind stets unverbindlich.

6. Weitergabe einer beruflichen Äußerung des Wirtschaftsprüfers

(1) Die Weitergabe beruflicher Äußerungen des Wirtschaftsprüfers (Arbeitsergebnisse oder Auszüge von Arbeitsergebnissen – sei es im Entwurf oder in der Endfassung) oder die Information über das Tätigwerden des Wirtschaftsprüfers für den Auftraggeber an einen Dritten bedarf der in Textform erteilten Zustimmung des Wirtschaftsprüfers, es sei denn, der Auftraggeber ist zur Weitergabe oder Information aufgrund eines Gesetzes oder einer behördlichen Anordnung verpflichtet.

(2) Die Verwendung beruflicher Äußerungen des Wirtschaftsprüfers und die Information über das Tätigwerden des Wirtschaftsprüfers für den Auftraggeber zu Werbezwecken durch den Auftraggeber sind unzulässig.

7. Mängelbeseitigung

(1) Bei etwaigen Mängeln hat der Auftraggeber Anspruch auf Nacherfüllung durch den Wirtschaftsprüfer. Nur bei Fehlschlagen, Unterlassen bzw. unberechtigter Verweigerung, Unzumutbarkeit oder Unmöglichkeit der Nacherfüllung kann er die Vergütung mindern oder vom Vertrag zurücktreten; ist der Auftrag nicht von einem Verbraucher erteilt worden, so kann der Auftraggeber wegen eines Mangels nur dann vom Vertrag zurücktreten, wenn die erbrachte Leistung wegen Fehlschlagens, Unterlassung, Unzumutbarkeit oder Unmöglichkeit der Nacherfüllung für ihn ohne Interesse ist. Soweit darüber hinaus Schadensersatzansprüche bestehen, gilt Nr. 9.

(2) Ein Nacherfüllungsanspruch aus Abs. 1 muss vom Auftraggeber unverzüglich in Textform geltend gemacht werden. Nacherfüllungsansprüche nach Abs. 1, die nicht auf einer vorsätzlichen Handlung beruhen, verjähren nach Ablauf eines Jahres ab dem gesetzlichen Verjährungsbeginn.

(3) Offenbare Unrichtigkeiten, wie z.B. Schreibfehler, Rechenfehler und formelle Mängel, die in einer beruflichen Äußerung (Bericht, Gutachten und dgl.) des Wirtschaftsprüfers enthalten sind, können jederzeit vom Wirtschaftsprüfer auch Dritten gegenüber berichtigt werden. Unrichtigkeiten, die geeignet sind, in der beruflichen Äußerung des Wirtschaftsprüfers enthaltene Ergebnisse infrage zu stellen, berechtigen diesen, die Äußerung auch Dritten gegenüber zurückzunehmen. In den vorgenannten Fällen ist der Auftraggeber vom Wirtschaftsprüfer tunlichst vorher zu hören.

8. Schweigepflicht gegenüber Dritten, Datenschutz

(1) Der Wirtschaftsprüfer ist nach Maßgabe der Gesetze (§ 323 Abs. 1 HGB, § 43 WPO, § 203 StGB) verpflichtet, über Tatsachen und Umstände, die ihm bei seiner Berufstätigkeit anvertraut oder bekannt werden, Stillschweigen zu bewahren, es sei denn, dass der Auftraggeber ihn von dieser Schweigepflicht entbindet.

(2) Der Wirtschaftsprüfer wird bei der Verarbeitung von personenbezogenen Daten die nationalen und europarechtlichen Regelungen zum Datenschutz beachten.

9. Haftung

(1) Für gesetzlich vorgeschriebene Leistungen des Wirtschaftsprüfers, insbesondere Prüfungen, gelten die jeweils anzuwendenden gesetzlichen Haftungsbeschränkungen, insbesondere die Haftungsbeschränkung des § 323 Abs. 2 HGB.

(2) Sofern weder eine gesetzliche Haftungsbeschränkung Anwendung findet noch eine einzelvertragliche Haftungsbeschränkung besteht, ist der Anspruch des Auftraggebers aus dem zwischen ihm und dem Wirtschaftsprüfer bestehenden Vertragsverhältnis auf Ersatz eines fahrlässig verursachten Schadens, mit Ausnahme von Schäden aus der Verletzung von Leben, Körper und Gesundheit sowie von Schäden, die eine Ersatzpflicht des Herstellers nach § 1 ProdHaftG begründen, gemäß § 54a Abs. 1 Nr. 2 WPO auf 4 Mio. € beschränkt. Gleiches gilt für Ansprüche, die Dritte aus oder im Zusammenhang mit dem Vertragsverhältnis gegenüber dem Wirtschaftsprüfer geltend machen.

(3) Leiten mehrere Anspruchsteller aus dem mit dem Wirtschaftsprüfer bestehenden Vertragsverhältnis Ansprüche aus einer fahrlässigen Pflichtverletzung des Wirtschaftsprüfers her, gilt der in Abs. 2 genannte Höchstbetrag für die betreffenden Ansprüche aller Anspruchsteller insgesamt.

(4) Der Höchstbetrag nach Abs. 2 bezieht sich auf einen einzelnen Schadensfall. Ein einzelner Schadensfall ist auch bezüglich eines aus mehreren Pflichtverletzungen stammenden einheitlichen Schadens gegeben. Der einzelne Schadensfall umfasst sämtliche Folgen einer Pflichtverletzung ohne Rücksicht darauf, ob Schäden in einem oder in mehreren aufeinanderfolgenden Jahren entstanden sind. Dabei gilt mehrfaches auf gleicher oder gleichartiger Fehlerquelle beruhendes Tun oder Unterlassen als einheitliche Pflichtverletzung, wenn die betreffenden Angelegenheiten miteinander in rechtlichem oder wirtschaftlichem Zusammenhang stehen. In diesem Fall kann der Wirtschaftsprüfer nur bis zur Höhe von 5 Mio. € in Anspruch genommen werden.

(5) Ein Schadensersatzanspruch erlischt, wenn nicht innerhalb von sechs Monaten nach der in Textform erklärten Ablehnung der Ersatzleistung Klage erhoben wird und der Auftraggeber auf diese Folge hingewiesen wurde. Dies gilt nicht für Schadensersatzansprüche, die auf vorsätzliches Verhalten zurückzuführen sind, sowie bei einer schuldhaften Verletzung von Leben, Körper oder Gesundheit sowie bei Schäden, die eine Ersatzpflicht des Herstellers nach § 1 ProdHaftG begründen. Das Recht, die Einrede der Verjährung geltend zu machen, bleibt unberührt.

(6) § 323 HGB bleibt von den Regelungen in Abs. 2 bis 5 unberührt.

10. Ergänzende Bestimmungen für Prüfungsaufträge

(1) Ändert der Auftraggeber nachträglich den durch den Wirtschaftsprüfer geprüften und mit einem Bestätigungsvermerk versehenen Abschluss oder Lagebericht, darf er diesen Bestätigungsvermerk nicht weiterverwenden.

Hat der Wirtschaftsprüfer einen Bestätigungsvermerk nicht erteilt, so ist ein Hinweis auf die durch den Wirtschaftsprüfer durchgeführte Prüfung im Lagebericht oder an anderer für die Öffentlichkeit bestimmter Stelle nur mit in gesetzlicher Schriftform erteilter Einwilligung des Wirtschaftsprüfers und mit dem von ihm genehmigten Wortlaut zulässig.

(2) Widerruft der Wirtschaftsprüfer den Bestätigungsvermerk, so darf der Bestätigungsvermerk nicht weiterverwendet werden. Hat der Auftraggeber den Bestätigungsvermerk bereits verwendet, so hat er auf Verlangen des Wirtschaftsprüfers den Widerruf bekanntzugeben.

(3) Der Auftraggeber hat Anspruch auf fünf Berichtsausfertigungen. Weitere Ausfertigungen werden besonders in Rechnung gestellt.

11. Ergänzende Bestimmungen für Hilfeleistung in Steuersachen

(1) Der Wirtschaftsprüfer ist berechtigt, sowohl bei der Beratung in steuerlichen Einzelfragen als auch im Falle der Dauerberatung die vom Auftraggeber genannten Tatsachen, insbesondere Zahlenangaben, als richtig und vollständig zugrunde zu legen; dies gilt auch für Buchführungsaufträge. Er hat jedoch den Auftraggeber auf von ihm festgestellte wesentliche Unrichtigkeiten hinzuweisen.

(2) Der Steuerberatungsauftrag umfasst nicht die zur Wahrung von Fristen erforderlichen Handlungen, es sei denn, dass der Wirtschaftsprüfer hierzu ausdrücklich den Auftrag übernommen hat. In diesem Fall hat der Auftraggeber dem Wirtschaftsprüfer alle für die Wahrung von Fristen wesentlichen Unterlagen, insbesondere Steuerbescheide, so rechtzeitig vorzulegen, dass dem Wirtschaftsprüfer eine angemessene Bearbeitungszeit zur Verfügung steht.

(3) Mangels einer anderweitigen Vereinbarung in Textform umfasst die laufende Steuerberatung folgende, in die Vertragsdauer fallenden Tätigkeiten:

a) Ausarbeitung und elektronische Übermittlung der Jahressteuererklärungen, einschließlich E-Bilanzen, für die Einkommensteuer, Körperschaftsteuer und Gewerbesteuer, und zwar auf Grund der vom Auftraggeber vorzulegenden Jahresabschlüsse und sonstiger für die Besteuerung erforderlichen Aufstellungen und Nachweise
b) Nachprüfung von Steuerbescheiden zu den unter a) genannten Steuern
c) Verhandlungen mit den Finanzbehörden im Zusammenhang mit den unter a) und b) genannten Erklärungen und Bescheiden
d) Mitwirkung bei Betriebsprüfungen und Auswertung der Ergebnisse von Betriebsprüfungen hinsichtlich der unter a) genannten Steuern
e) Mitwirkung in Einspruchs- und Beschwerdeverfahren hinsichtlich der unter a) genannten Steuern.

Der Wirtschaftsprüfer berücksichtigt bei den vorgenannten Aufgaben die wesentliche veröffentlichte Rechtsprechung und Verwaltungsauffassung.

(4) Erhält der Wirtschaftsprüfer für die laufende Steuerberatung ein Pauschalhonorar, so sind mangels anderweitiger Vereinbarungen in Textform die unter Abs. 3 Buchst. d) und e) genannten Tätigkeiten gesondert zu honorieren.

(5) Sofern der Wirtschaftsprüfer auch Steuerberater ist und die Steuerberatervergütungsverordnung für die Bemessung der Vergütung anzuwenden ist, kann eine höhere oder niedrigere als die gesetzliche Vergütung in Textform vereinbart werden.

(6) Die Bearbeitung besonderer Einzelfragen der Einkommensteuer, Körperschaftsteuer, Gewerbesteuer und Einheitsbewertung sowie aller Fragen der Umsatzsteuer, Lohnsteuer, sonstigen Steuern und Abgaben erfolgt auf Grund eines besonderen Auftrags. Dies gilt auch für

a) die Bearbeitung einmalig anfallender Steuerangelegenheiten, z.B. auf dem Gebiet der Erbschaftsteuer und Grunderwerbsteuer,
b) die Mitwirkung und Vertretung in Verfahren vor den Gerichten der Finanz- und der Verwaltungsgerichtsbarkeit sowie in Steuerstrafsachen,
c) die beratende und gutachtliche Tätigkeit im Zusammenhang mit Umwandlungen, Kapitalerhöhung und -herabsetzung, Sanierung, Eintritt und Ausscheiden eines Gesellschafters, Betriebsveräußerung, Liquidation und dergleichen und
d) die Unterstützung bei der Erfüllung von Anzeige- und Dokumentationspflichten.

(7) Soweit auch die Ausarbeitung der Umsatzsteuerjahreserklärung als zusätzliche Tätigkeit übernommen wird, gehört dazu nicht die Überprüfung etwaiger besonderer buchmäßiger Voraussetzungen sowie die Frage, ob alle in Betracht kommenden umsatzsteuerrechtlichen Vergünstigungen wahrgenommen worden sind. Eine Gewähr für die vollständige Erfassung der Unterlagen zur Geltendmachung des Vorsteuerabzugs wird nicht übernommen.

12. Elektronische Kommunikation

Die Kommunikation zwischen dem Wirtschaftsprüfer und dem Auftraggeber kann auch per E-Mail erfolgen. Soweit der Auftraggeber eine Kommunikation per E-Mail nicht wünscht oder besondere Sicherheitsanforderungen stellt, wie etwa die Verschlüsselung von E-Mails, wird der Auftraggeber den Wirtschaftsprüfer entsprechend in Textform informieren.

13. Vergütung

(1) Der Wirtschaftsprüfer hat neben seiner Gebühren- oder Honorarforderung Anspruch auf Erstattung seiner Auslagen; die Umsatzsteuer wird zusätzlich berechnet. Er kann angemessene Vorschüsse auf Vergütung und Auslagenersatz verlangen und die Auslieferung seiner Leistung von der vollen Befriedigung seiner Ansprüche abhängig machen. Mehrere Auftraggeber haften als Gesamtschuldner.

(2) Ist der Auftraggeber kein Verbraucher, so ist eine Aufrechnung gegen Forderungen des Wirtschaftsprüfers auf Vergütung und Auslagenersatz nur mit unbestrittenen oder rechtskräftig festgestellten Forderungen zulässig.

14. Streitschlichtungen

Der Wirtschaftsprüfer ist nicht bereit, an Streitbeilegungsverfahren vor einer Verbraucherschlichtungsstelle im Sinne des § 2 des Verbraucherstreitbeilegungsgesetzes teilzunehmen.

15. Anzuwendendes Recht

Für den Auftrag, seine Durchführung und die sich hieraus ergebenden Ansprüche gilt nur deutsches Recht.