

# Redefining Supply Chain.



# Unlocking India's Growth Potential.



BELIEVE IN THE POWER OF US

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# About TVS Supply Chain Solutions

TVS Supply Chain Solutions (TVS SCS) is India's largest supply chain solutions provider. We are specialists in transforming supply chains through effective use of technology to deliver improved efficiencies. As part of the TVS Mobility Group, we leverage our longstanding brand heritage, operational experience and in-depth understanding of multi-sector dynamics and local markets. We also inherit the corporate governance standards, values and trust that come with the TVS lineage.

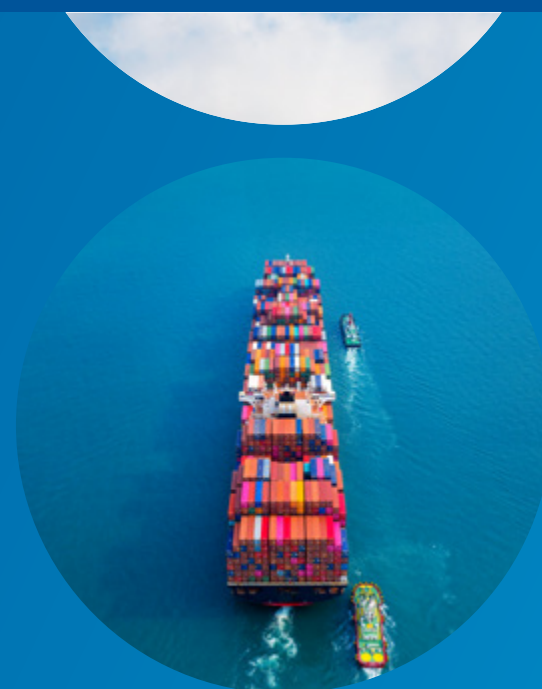
We pioneered the development of the supply chain solutions market in India. For close to two decades, we have managed large and complex supply chains across multiple industries in India and select global markets through customised tech-enabled solutions. We have consolidated our leadership position in India and expanded our geographical presence, capability expertise, and customer relationships.

6,909  
Customers

78  
Fortune Global 500 customers

17,000+  
Employees

25.5 mn  
Square feet of space managed



## Long-term Supply Chain Partners

We follow a customer centric approach and work collaboratively as supply chain partners through the growth journey of our customers. This has enabled us to build long-term relationships with our customers. These enduring customer relationships have added resilience to our business and helped cement our market position.

## We serve customers across industries such as

Automotive	Tech and tech infra
Industrial	Rail and utilities
Consumer	Healthcare





NSE



BELIEVE IN THE  
POWER OF US

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BELIEVE IN THE POWER OF US

LISTING  
CEREMONY

Onward and Upward

Leadership team at the listing ceremony



# Message from the Executive Chairman



Dear shareholders,  
I am delighted to share my thoughts as part of TVS Supply Chain Solutions' first annual report as a publicly listed company.

Once again, I welcome you all to the TVS SCS shareholder family. We are in our 20<sup>th</sup> year in 2024 since our incorporation. Looking back, we have evolved to become an Indian supply chain multinational, and I wish to thank everyone who has made this achievement possible.

## Our Evolution

We started in 2004 providing 3PL solutions to customers in India when third-party logistics was nascent in the Indian context. Our approach to growth revolved around the customer, and as we grew in scale and presence, we deepened relationships with our customers by expanding our capabilities, physical presence and through targeted acquisitions. Together with this, even in our early days, we had focused on developing in-house tech capabilities by bringing in digital innovation to deepen our engagement further. Today, with a global footprint and a diverse customer base, we are a true Indian multinational.

## Our DNA

At our core, we are a solutions company rather than a mere logistics service provider. We have understood the problems of our customers' supply

chains and brought in tailor-made solutions using both incremental and breakthrough innovation with technology underpinning the same. This approach has helped create long-term supply chain partnerships with our customers and provided new growth opportunities that position us favourably for future growth.

## Key Industry Trends

### Indian

The supply chain industry in India is experiencing a significant transformation in technological advancements and innovative solutions deployed to cater to increasing industrial and consumer demand. India started its focus on supply chain improvements late, but it presents an opportunity to not only learn from other developed markets but also leapfrog through digital innovations.

Industries are increasingly considering the supply chain as a structural moat and looking to partner with one-stop solution providers to build differentiators for themselves. Outsourcing in India is still nascent and will register significant growth in the near future. India will continue to be a cost and value conscious market. Therefore, companies like ours and others must provide cost-effective solutions tailored to the Indian market, which can be further deployed in other emerging markets.

The Government of India's policy emphasises enhancing and facilitating infrastructure that propels India to the forefront of global manufacturing destinations. India's role in global supply chains is becoming increasingly significant. In the domestic market, consumption across end-user industries will increase demand for logistics services in India.

This strategic focus has and will continue to provide solid foundation for businesses to capitalise on opportunities and confidently invest in the country's burgeoning manufacturing sector.

The Government of India has paid heightened attention to the logistics sector, a crucial economic enabler, further solidifying its importance in India's growth strategy. Focusing on outsourcing and increasing the utilisation of the infrastructure being created and the digital backbone being built, will further increase the need for evolved supply chain solutions. Your company will continue to play a critical role in this evolution.

**The Government of India's policy emphasises on enhancing and facilitating infrastructure that propels India to the forefront of global manufacturing destinations. India's role in global supply chains is becoming increasingly significant.**

### Global

Globally, the supply chain industry is still fragmented. As it become more complex and resilience is being built-in across various tiers of manufacturing and consumption, end-to-end visibility across multi-modal supply chains will become an absolute necessity. Here, not only managing the key supply chain metrics but also enhancing asset utilisation and operational

capacity is of paramount importance. Reducing the total cost of the supply chain, including the cost of inventory holding, optimal sourcing and having an agile technology solution, will differentiate the supply chain companies. Our diversified customer base and digital solutions present significant growth opportunities to manage these complex integrated solution requirements.

The need to be environmentally sustainable and create solutions which reduce the carbon footprint has become even more imperative. Digital visibility becomes one more factor in supporting this and helping proactive decision-making. The need to move from providing 3PL services to integrated supply chain solutions has become the expectation.

## Gratitude

Looking back at our journey over the two decades, I am humbled by what we have achieved and optimistic about the opportunities ahead. I am grateful to everyone who has contributed in our journey so far and thank them wholeheartedly for their support and involvement. I believe that Indian logistics is on the verge of significant growth, and we will play a critical role in this. Globally, thanks to our diversified customer base and digital readiness, we see more opportunities for our business model to be relevant, allowing us to expand our relationship with our existing customers and bring in new customers into our fold.

I am grateful to you as shareholders for your faith in us. I also thank our customers for allowing us to serve them and our vendor partners for supporting us through this journey. I would like to express my sincere gratitude to our employees and stakeholders, as they have made us what we are and will help us achieve our future goals.

I would also like to express my sincere gratitude to Mr. Mahalingam Seturaman and Mr. Sargunraj Ravichandran, who stepped down from the Board during the year. The organisation greatly benefited from their contributions, service, and exceptional guidance. I also thank our other directors of the Board for their support and engagement. We are committed to growing sustainably and ensuring that our business practices contribute positively to the environment and society.

Best regards,

**R Dinesh**  
Executive Chairman



Scan here to watch the Executive Chairman's message



# Board of Directors



## Standing from left to right

**Anand Kumar**  
Non Executive Director

**Ashish Kaushik**  
Non Executive Director

**Tarun Khanna**  
Independent Director

**Narayan K Seshadri**  
Independent Director

**Ravi Viswanathan**  
Managing Director

**Shobhana Ramachandhran**  
Non-executive Director

**K Ananth Krishnan**  
Independent Director

## Sitting from left to right

**B Sriram**  
Independent Director

**R Dinesh**  
Executive Chairman

**Gauri Kumar**  
Independent Director



# Management Team

Our dedicated global leadership team works tirelessly to leverage our comprehensive global capabilities, diverse talent pool, and cutting-edge technologies to deliver the best possible value to our customers and stakeholders.

Our team is committed to staying current with the latest trends and industry best practices to ensure we provide the most effective and efficient solutions to meet our customer's evolving needs. By working together seamlessly, our team delivers exceptional results and drives meaningful impact.



**Dinesh Narayan**  
Global CIO



**Jon Croyden**  
CEO  
Integrated Final Mile



**Ravi Prakash Bhagavathula**  
Global CFO



**R Dinesh**  
Executive Chairman



**Ravi Viswanathan**  
Managing Director



**Richard Vieites**  
CEO  
North America



**K Sukumar**  
CEO  
India



**Vittorio Favati**  
CEO  
Global Forwarding Solutions



**Andrew Jones**  
CEO  
Europe



**E Balaji**  
Global CHRO



**Baminee Viswanat**  
Global General Counsel



# From the Managing Director's Desk



Dear shareholders,

As we embark on this new chapter as a publicly listed company, I am thrilled to share our journey and achievements.

This report marks a significant milestone in our history, coinciding with the celebration of our 20<sup>th</sup> anniversary since our founding in 2004. Over these two decades, we have transformed into a leading global supply chain solutions provider. We are proud of our progress and deeply grateful for your continued trust and support. Together, we look forward to exploring new horizons and achieving greater success.

## Performance Highlights

FY2023-24 was an important year for us in more ways than one. Our successful public listing highlighted it in August 2023. We navigated a volatile macroeconomic environment impacted by conflict in Europe and the Middle East, along with continuing high interest rates and inflation levels across markets. Global trade was sluggish during the year, with freight rates plummeting significantly from the post-COVID-19 highs and sluggish trade volumes.

Our business showed remarkable resilience during the year by successfully navigating inflationary pressures and a steep downturn in trade. The integrated supply chain solutions segment grew consistently across our key geographies, offsetting the macroeconomic impact on freight. On a consolidated basis, revenue for FY2023-24 was ₹ 9,199.98 crore compared to ₹ 9,994.38 crore for FY2022-23. Despite our revenues lowering by ₹ 794.40 crore, we grew our adjusted EBITDA by ₹ 25.02 crore to ₹ 710.14 crore. During the year, we reduced our leverage significantly by bringing our total borrowings down to ₹ 793.94 crore from ₹ 1,697.31 crore at the end of FY2022-23.

## Customer-centricity

Our commitment to prioritising our customers has been fundamental to our growth and expansion. The enduring partnerships we have built demonstrate that we are the preferred long term supply chain partners for our customers. This customer centric approach creates opportunities to cross-sell our capabilities and maximising customer wallet share. At present, we are proud to be working with 78 Fortune Global 500 customers. We have embarked on a global account management programme with the objective of cross selling capabilities and cross deploying capabilities across geographies for our global customers.

## Technology and Artificial Intelligence

We integrate cutting edge technologies such as image recognition, vision tech, machine learning and robotics in our solutions. We continue to focus on Artificial Intelligence enhancements to our solutions and have AI deployed at scale in our key geographies. These advancements along with our integrated technology systems offering future-proof solutions and intuitive analytics for network monitoring & control help us solve supply chain complexity and set high standards of excellence in the industry.

## People Initiatives

Our culture is grounded in trust, value, service, and innovation. We invest in our people through comprehensive learning and development programmes, fostering a culture of continuous learning leading to innovation and growth. We continuously focus on initiatives to strengthen our organisational culture and enhance employee morale.

Technology plays a pivotal role in our HR strategy. Our Learning Management System offers over 600 learning modules and is accessible by over 7,500 employees. The system has witnessed a substantial increase in learning hours this year from 7,969 in Q1 to 59,600 in Q4. We continue to encourage a culture of openness and transparency that is reflective of our DNA of trust.

We are committed to building our workforce for the future. Our annual employee Vibe Survey remains a crucial instrument for gauging employees' perspectives within our organisation. This year, we achieved a record-high participation rate of 93%, an increase from last year's 88%. We continue to hear feedback from employees and strengthen our policies and practices.

## Sustainability

We are committed to creating a sustainable future for ourselves and for generations to come. We are implementing several initiatives aimed at ensuring our business footprint is sustainable. We work towards reducing pollution and ensuring road vehicles comply with environmental regulations. We have successfully recycled pallets and collars, helping save trees and protect the planet.

## Closing Remarks

We have set our sights on becoming one of the top 50 supply chain companies worldwide. As we advance, our growth prospects are bright across markets. Given our proven repertoire, technological prowess, operational strengths and clearly defined strategic growth direction, we will continue to redefine supply chains for our customers and unlock growth. We are confident about our ability to overcome market challenges and capitalise on the opportunities that will come our way.

**"Transform supply chain strategies and be a key partner to industry players as they drive India towards unparalleled economic success"**

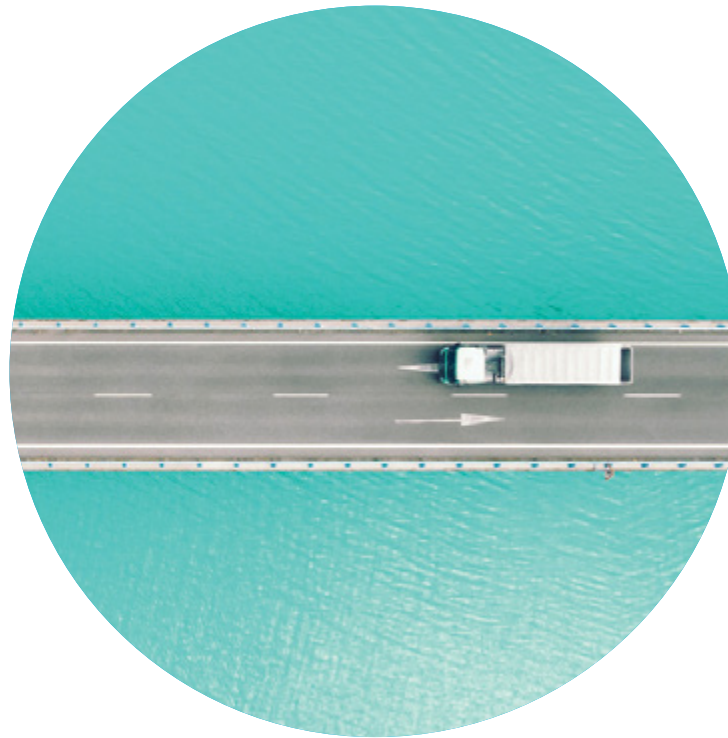
Warm regards,

**Ravi Viswanathan**  
Managing Director



Scan here to watch the Managing Director's message





# Redefining Supply Chain: Unlocking India's Growth Potential

India's economic trajectory, marked by growth and resilience, shines brightly amid global uncertainties. This resilience showcases India's stability, stemming from structural reforms, increasing efforts towards digitisation, and fiscal prudence. These measures have positioned India on the brink of transformative growth and have underscored its economic might, amplifying its significance in the global landscape.

At the heart of India's economic potential lies its ambitious vision, which includes achieving a \$5 Trillion economy and increasing the manufacturing sector's contribution to GDP to 25%. These aspirations are being backed by governmental policy intended to pave the way towards economic growth. Initiatives such as Make in India, Gati Shakti, and Production-Linked Incentive (PLI) schemes are playing a key role in reinforcing confidence in India's economic potential.

India's economic resurgence is contingent upon its ability to harness its vast potential through regulatory reforms. Trade policies that promote investment, infrastructure development and technological advancements that enhance productivity are key measures that will strengthen India's position as a beacon of opportunity in the global economy.

Modernisation and expansion of logistics infrastructure will generate large growth opportunities for supply chain players. The implementation of this is however a challenge that will need to be addressed. The urgency of this challenge is clear: India's economic expansion necessitates a corresponding evolution in its logistics capabilities to support the increasing scale of economic activity. Alongside infrastructure enhancement, there is a pressing need for advancements in services and technology to bolster operational efficiency.

The government's policy on logistics is strategically aligned to fuel economic growth and enhance business competitiveness. Through a multi-faceted approach, it aims to achieve several objectives. Firstly, the focus is on reducing the cost of logistics in India, thereby fostering a more cost-effective environment for businesses to operate. Secondly, there is a concerted effort to elevate India's Logistics Performance Index ranking, aspiring to secure a position among the top 25 countries by 2030. This ambitious goal involves transitioning from the current logistics cost of 13-14% to single-digit figures at the earliest opportunity. Lastly, the policy underscores the need to develop a data-driven decision-support mechanism. This approach, integrating data analytics and technology, aims to streamline processes and enhance overall performance, thus catalysing economic growth and bolstering India's competitiveness on the global stage.

**"A large and growing domestic market and sound macroeconomic fundamentals along with our track record as a trusted partner, make India an attractive destination for the shifting global supply chains."**

**R Dinesh**  
Executive Chairman



As the Indian logistics landscape continues to evolve, the need for integrated, technology-driven solutions has become increasingly evident. Companies are now looking for partners who can provide comprehensive services that address their immediate logistics needs and support long-term strategic goals. This shift in demand highlights the critical role of innovation and advanced technologies in transforming traditional logistics operations into agile, efficient, and customer-centric supply chains.

We are a pioneer in developing supply chain solutions in India. We are devoted to transforming businesses' operations by providing cutting-edge tech solutions that future-proof supply chains. Our wide-ranging services cover the entire value chain, including value-added assembly, kitting and sequencing, comprehensive production supply chain support, after-market solutions, spare parts logistics, reverse logistics, sourcing & procurement, repair and refurbishment, and freight forwarding. We provide value-added services and the requisite tech infrastructure using advanced systems, to drive optimised performance and efficiency, providing supply chain resilience in today's ever-changing market landscape.

We are a global supply chain solutions provider head quartered in India. We have capabilities and networks across the value chain and the ability to cross-deploy solutioning expertise across markets and industries. Our technology, coupled with our deep domain expertise and global presence, enables us to develop and offer customised solutions to customers, empowering large-scale, agile, and efficient supply chains.

### Redefining Supply Chain: Tailormade Tech Solutions for Driving Efficiency

Structural shifts in the industry have made supply chains increasingly complex. However, trade disruptions and the COVID-19 pandemic have truly brought the complexity of supply chains to the forefront. These external factors have forced organisations to reevaluate their supply chain strategies. Consequently, there is a growing trend towards end-to-end outsourcing, with organisations seeking specialist supply chain partners to manage their supply chain and logistics needs, deploy technology and offer bespoke solutions.

We provide innovative solutions tailored to each customer's supply chain requirements. Our solutions focus on increasing fulfilment productivity and efficiency. Each solution intends to seamlessly integrate with our customers' systems to provide an optimal and accurate flow of operational data. This approach provides us with the real-time information needed to operate an advanced fulfilment solutions continually while providing our customers with complete transparency and visibility into the operations.

### Shaping Tomorrow: Our Commitment to Sustainability

While we endeavour to partner with our customers to provide solutions that transform their supply chain, our focus is also on sustainability: use of green logistics and reducing carbon footprint. We endeavor to minimise environmental degradation and pollution in storage, transportation and packaging.

Valuing their unique insights and needs, we have collaborated closely with specific customers to create sustainable solutions for their supply chain management. Together, we have created innovative packaging and delivery methods aimed at reducing the number of trips needed to move the same quantity of goods.

We are also working consciously on reducing the carbon footprint of our operations. For instance, we have installed solar panels at our main warehouse in the UK at Chorley. This generated an estimated 620,759 kWh of electricity with excess being returned to the national grid.



**"We are optimistic about the government's initiatives to enhance India's logistics infrastructure.."**

**K Sukumar**  
CEO  
India

We are optimistic about the government's initiatives to enhance India's logistics infrastructure, including implementing the National Logistics Framework and the Unified Logistics Interface Platform. These developments contribute to ease of doing business and ease of delivering logistics. The government's investments in hybrid port infrastructure and technology-driven interconnected platforms are particularly beneficial.



# Connecting Commerce

We pioneered the development of the supply chain solutions market in India and is today a supply chain solutions provider with capabilities across the value chain and a global network.

Our culture and philosophy of doing business are defined by building trust, putting customers first, and continuously improving our offerings. We focus on helping customers streamline their supply chains through innovative solutions supported by digital-ready platforms. Our solutions help customers enhance operational efficiency and productivity metrics thereby delivering greater value to the end customer.

## The Ideals That Drive Us

Our culture and business philosophy align with the core values of 'TVS': trust, value, and service. The reputation of 'TVS' and its recognition in the industry strengthens our ability to attract talent, customers and network partners.

## Our Ethos



Trust is the foundation of our business. We believe in building strong relationships with our customers, partners, and employees through transparency, reliability and consistent performance. We are committed to maintaining the highest standards of integrity in all our interactions.



Our values are rooted in upholding the highest ethical integrity, valuing excellence, respect and collaboration with a focus on customer delight. We strive to offer products and services that deliver exceptional quality and exceed expectations.



We focus on our responsiveness and efficiency to create success for our customers. This drive for service excellence, is embedded in our DNA, helping our customers stay ahead of the curve in a dynamic business environment.



Innovation drives our progress. By embracing cutting-edge technology and creative thinking, we deliver futuristic solutions that ensure our customers stay competitive.



# Redefining Supply Chain

We are future proofing our customers' supply chains through use of artificial intelligence, augmented reality, advanced storage and retrieval platforms.

## Our Team

17,000+

Team members who address supply chain challenges for international organisations, government departments, large and medium sized businesses across sectors.

Our solutions encompassing the entire value chain from sourcing to consumption fall under two segments: Integrated Supply Chain Solutions segment and Network Solutions segment.

Our integrated supply chain solutions segment capabilities include integrated transportation, logistics operation centres, sourcing & procurement, in-plant logistics operations, finished goods & aftermarket fulfilment and supply chain consulting.

Our capabilities under the network solutions segment include

- Global Forwarding Solutions, which involve managing end-to-end freight forwarding, distribution across ocean, air and land; including warehousing and at-port storage and value-added services.
- Integrated Final Mile solutions involve closed-loop logistics and support, including spares logistics, break-fix, refurbishment and engineering support, and time critical consignment management.

## Making Supply Chains Future Proof

Our expertise stems from a deep understanding of supply chain processes and technology. Our key strength is helping our customers achieve a competitive advantage by digitally transforming their supply chain processes. Our team comprising of experts in the supply chain domain and in the latest technologies work with customers to build digital-first solutions that can be integrated with the customers' enterprise. Additionally, we are at the forefront of artificial intelligence (AI) developments and have deployed AI at scale across geographies. As we progress towards an increasingly digitalised ecosystem, we continue to address complex challenges that our customers face today. Our future-proof solutions help our customers grow and stay ahead through operational excellence.



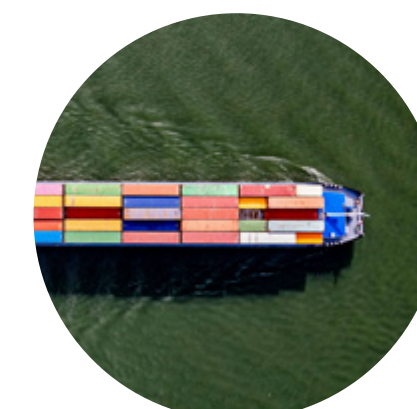
## Value-added Services

Our global domain expertise combined with robust technology capabilities give us the ability to provide value added solutions to our customers such as sequencing, kitting, and sub-assembly. By providing such value-added solutions and bundling multiple services, we enhance the scope of our customer engagements. This enables us to progress towards becoming a long-term partner to our customers.



## Technology Systems

Our ability to understand customer needs coupled with in-house software development capabilities and third-party products enable us to build flexible solutions to meet complex customer requirements. Our solutions incorporate latest technologies such as AI, machine learning and automated storage, and retrieval platforms.



## Infrastructure

Our infrastructure is spread across the globe and consists of advanced tech-enabled warehouses, freight forwarding, and final mile networks. This infrastructure along with technology platforms such as Msys, Visibility and Alpha enable us to provide network visibility and control of key supply chain metrics to our customers. This improves load optimisation leading to operational efficiency.





**“A key advantage of our integrated systems is their ability to seamlessly connect various parts of the supply chain.”**

**Andrew Jones**  
CEO  
Europe

“Our integrated systems are the backbone of our solutions and create a streamlined workflow without the inefficiencies often associated with disparate systems. Unlike businesses that adopt standalone software solutions which often result in siloed data and complex workflows, our approach brings order and coherence. This tech-driven approach to supply chain management goes beyond mere execution; it embodies a philosophy of integration, innovation, and adaptability.”

### Our Technology Capabilities

Structural shifts in the industry have made the supply chains increasingly complex, necessitating a higher reliance on technology to ensure better service levels. Investment in technology and data capabilities enables supply chains to respond to changing customer needs, optimising networks, efficiently utilising capacity and improving customer service. With increasing technological advancements in the logistics and supply chain industry, we follow a 'technology-first' approach and aim at delivering innovative and responsive technology solutions to optimise our customers' supply chains.

We provide specialised solutions to reduce complexity in our customers' supply chains by using technology, data analytics. We leverage our execution experience to offer critical solutions such as accurate demand forecasting, inventory planning and production, procurement management, network optimisation, visibility and supply chain agility to handle evolving needs. This approach improves our customers' competitive advantage and enhances their end-customer experience and revenue predictability.

Our supply chain technologies and processes are the core of our solutions. With the help of our technology and software systems framework, we build tailor-made solutions for various supply chain activities. Our digital platforms are primarily cloud-based, powered by a micro-service-based architecture, and are highly scalable and reliable. This mechanism enables us to implement innovative solutions across multiple geographies relatively quickly, and deploy an innovative solution developed for one industry and apply it to other sectors to enhance value. Our technological solutions can be integrated with our customers' IT infrastructure, ensuring a long-standing relationship with our customers.

Our business has benefited from investments in technology, talent and process. Our technologies enable us to automate and digitalise supply chains for our customers. We apply technology to each key part of the supply chain to enable three key advantages to existing traditional supply chains: flexibility, intelligence and efficiency.

**We have developed in-house software development capabilities, in addition to partnering with leading third-party software, which allow us to utilise our deep knowledge and experience to cater to customer needs and to construct robust and flexible technology services**

**for our customers. Our technology architecture has also enabled us to incorporate the technology we have acquired. We continue to develop on our in-house technology search for innovative third-party new-generation tech solutions to integrate with our core platform we have acquired.**



Our technology strongly differentiates us as an innovative provider of logistics solutions that enhance visibility, speed, accuracy and cost-effectiveness for our customers. We also have the ability to customise our technology-enabled services to cater to customer's requirements. Our solutioning tools for transportation, warehouse, order, and workforce management enable us to develop customised solutions. We also utilise our deep knowledge of tech data and experience to cater to customers' needs and construct robust and flexible technology services that cater to our customers' needs. Our 'plug-and-play modules' can be easily integrated with our customers' internal systems, including their existing enterprise resource planning systems. These can be replicated across geographies and industries for customers, enabling us to scale our services faster.



### Supply Chain Management

#### Msys

Product data management, demand forecasting, warehouse management, business data & Analytics



### Transport Management

#### Alpha Platform

Digitised customer-transporter/driver interaction. Clients can use the platform to monitor and track orders. Platform uses AI to validate Proof of Delivery



### Warehouse Management

#### Visibility

Warehouse and inventory management solution using RFID technology coupled with barcodes



### Freight Management

#### E-connect

Online tracking system with 24/7 visibility of goods down to order item level. This is now also made available in a mobile app version

#### LCL Consolidator

Enable automated decision making on container closing providing real time cargo visibility



### Integrated Final Mile

#### i-eX and Courier Alliance

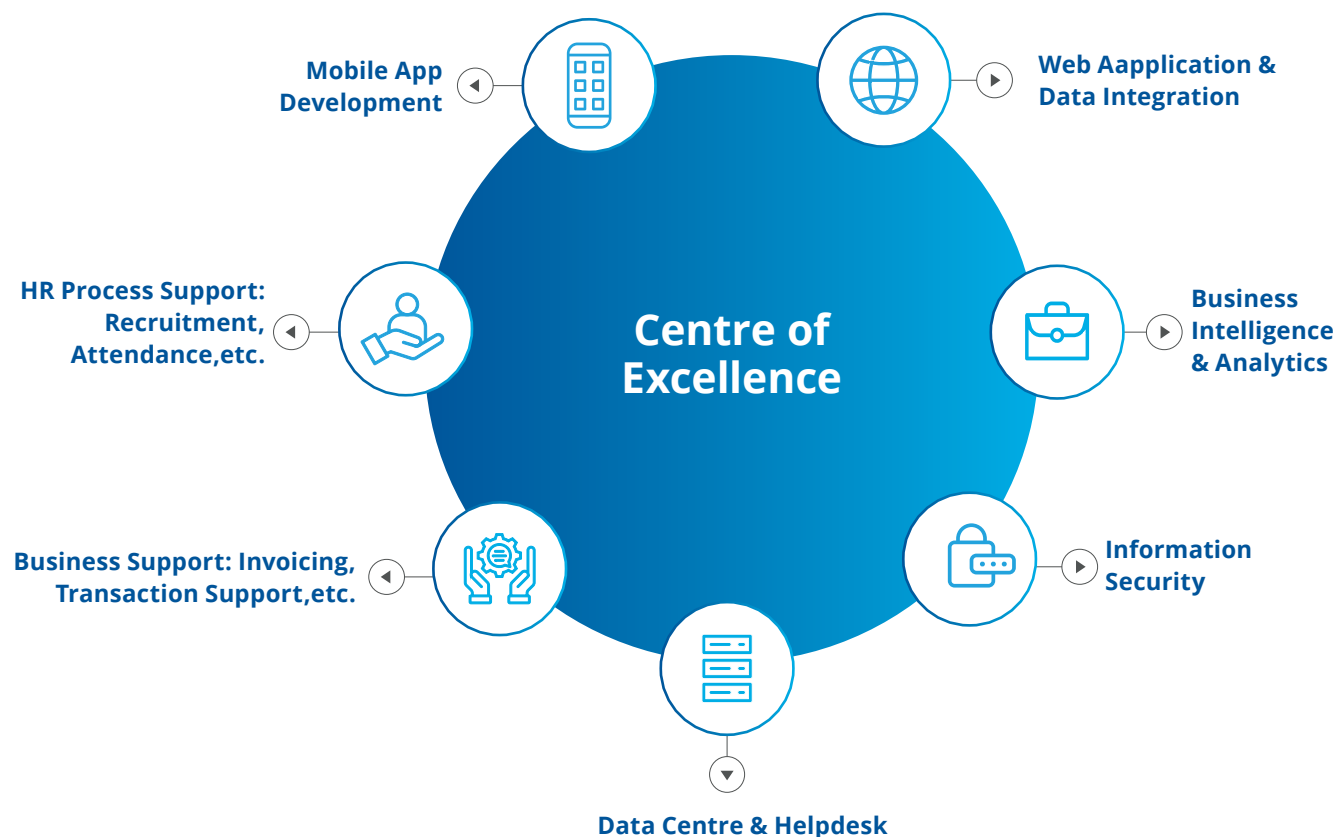
Matching delivery partner with customer demand ensuring speedy completion of last mile delivery



## Services and Offerings

### Centre of Excellence

Our Centre of Excellence (CoE) provide services that are critical to our operations, tech infrastructure and deployment and thereby drive process standardisation and operational efficiency.



### AP Enhanced Solutioning That Leverages Cutting Edge Tech

We have expertise in new-generation technologies and the ability to deploy solutions powered with artificial intelligence, vision tech and automation capabilities. We collect, structure, store and process vast amounts of transaction and environmental data. By leveraging the access to a large amount of data, and our analytical processing capabilities, we incorporate our learnings into customer solutions.

### Predictive Analytics and Intelligent Decision-Making

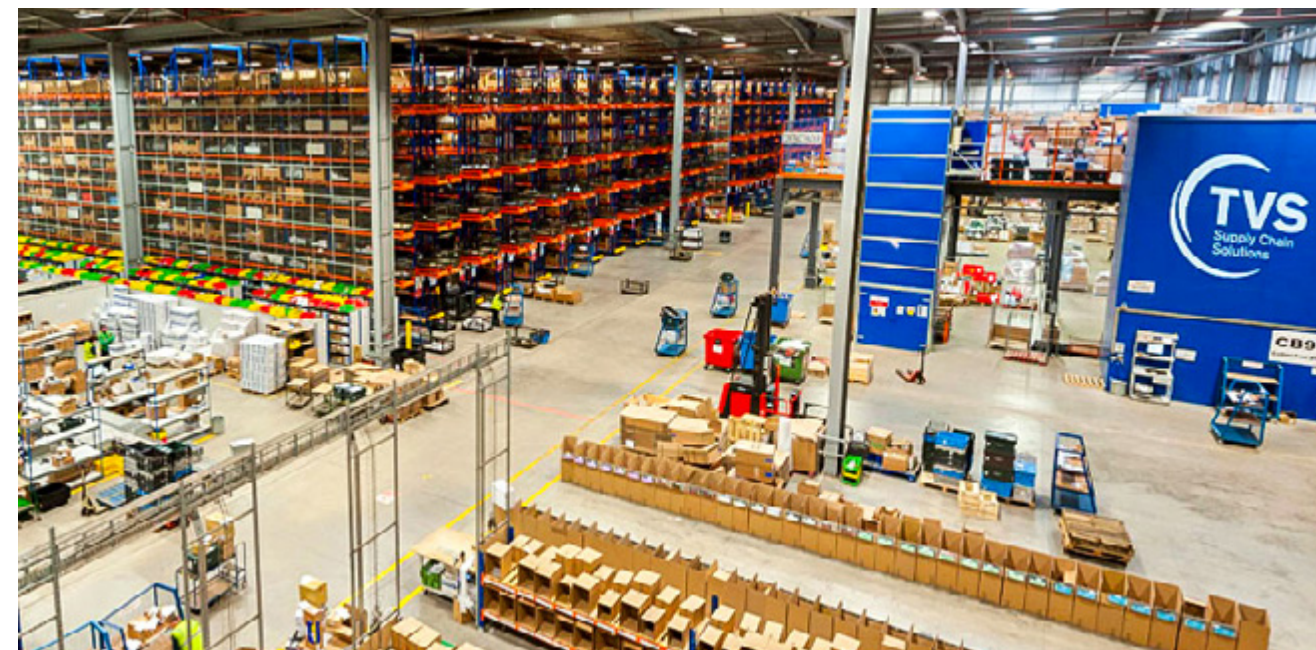
Empowered by our machine learning and big data analytics capabilities, our algorithms make informed decisions at every level of our business, providing real-time data analytics to optimise network density and equipment utilisation across our entire network. This improves customer service, operational efficiency, and load optimisation. We have also utilised machine learning extensively to build various capabilities, including intelligent geo-location, network design, route optimisation, load aggregation, ETA (estimated time of arrival) prediction and product identification.

We have developed analytics that predict future surges in demand using a combination of data history and customer forecasting. Our ability to process and act upon data is a key competitive advantage and differentiator.

### Vision Technology

Our vision technology is used in areas of warehouse operations management, human capital management manual validation solutions using cognitive intelligence and advanced neural network models.

Advanced concepts such as facial recognition, label reading, personal protection equipment (PPE) recognition and drone technology are incorporated to enable innovative supply chains. Facial recognition provides a sophisticated surveillance technique with a combination of a video camera, a high-end processor with goods storage and an algorithm, which is custom-built for facial analytics. In the case of label reading, a computer vision algorithm is executed on classified image sets with continuous learning. The PPE object recognition can be used in any factory for the safety and security of employees, contractors and visitors. It ensures compliance of restricted area access, and the camera even recognises various PPE objects. We make the inventory-checking process more efficient with the use of drone technology. Usage of drones can complete the reconciliation process in a faster, accurate, on-demand and fully automated manner.



**“As a technology hub for us, the CoE plays a vital role in accelerating the Company’s global operations.”**

**Dinesh Narayan**  
Global CIO

The CoE has deep domain expertise combined with the latest technology and data analytics capabilities. As a technology hub for us, the CoE plays a vital role in accelerating the Company’s global operations. It enables greater agility and responsiveness thereby adding significant value to our operations both in India and globally. Additionally, the CoE acts as a great platform to provide opportunities for local talent in India.



# Beyond Borders

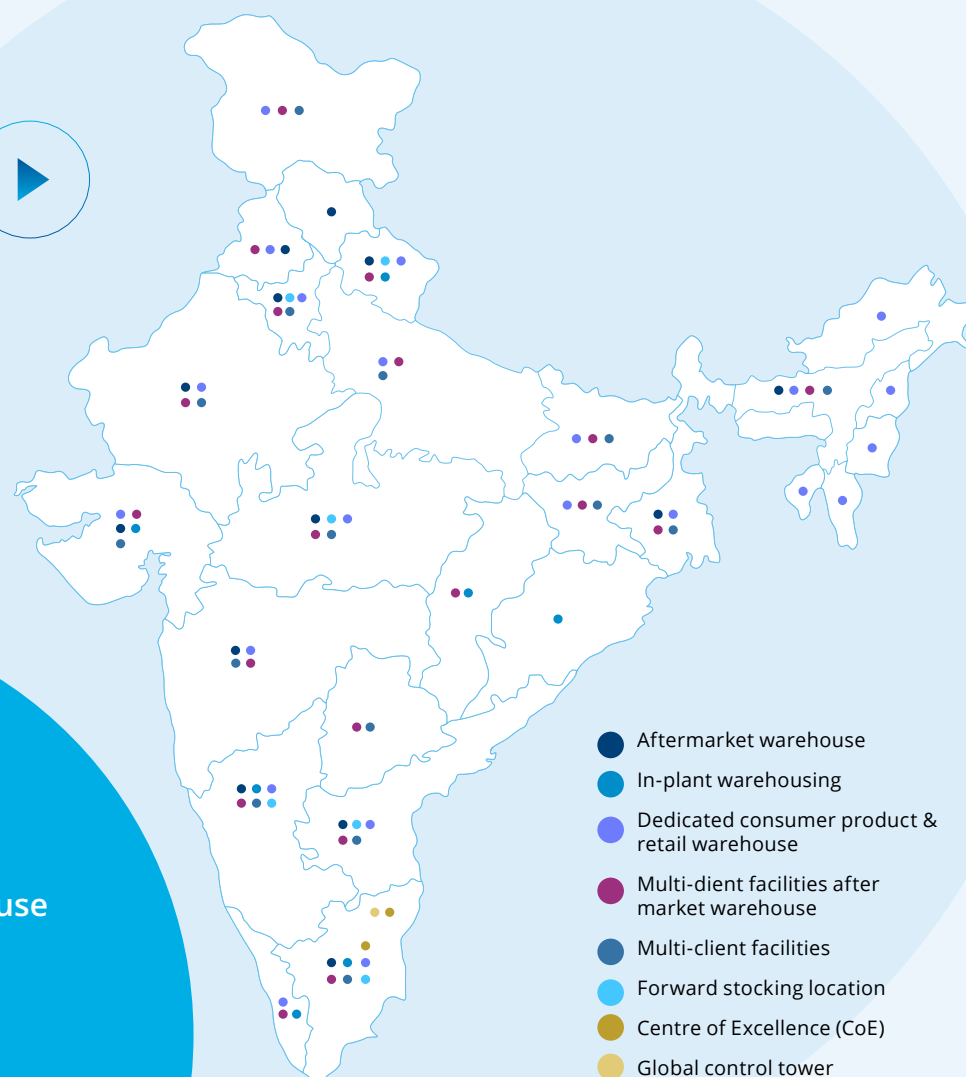
We are a multinational company headquartered in India and for close to two decades have managed large and complex supply chains across multiple sectors in India and select global markets through customised tech-enabled solutions.

Making Our Presence Felt



20.8 mn  
Square feet of warehouse  
space managed

13,110  
Employees



Map not to scale

## India

As the largest integrated supply chain solutions provider in India, we operate across the country with a network that spans across all states. We manage a warehouse footprint of 20.8 Million square feet across strategically located facilities and offer the full range of solution capabilities across both our segments.

## Asia-Pacific

With our Asia-centric knowledge, experience, and heritage—combined with our presence in major logistics hubs throughout the region—we simplify supply chains across the Asia-Pacific for our global customers.

## UK and Europe

We provide supply chain solutions through our presence in select locations across the UK and Europe. We partner with customers across a wide spectrum of industry sectors including resilient industries like rail, utilities and defence, providing unique and cutting edge solutions including sourcing, procurement, comprehensive supply chain redesign and implementation.

## North America

We are present in strategically important locations in North America. While our primary focus has historically been on deploying capabilities in the production linked space, with value added sequencing and kitting, we have expanded into sourcing and procurement and are now building our network solutions capabilities in this geography.

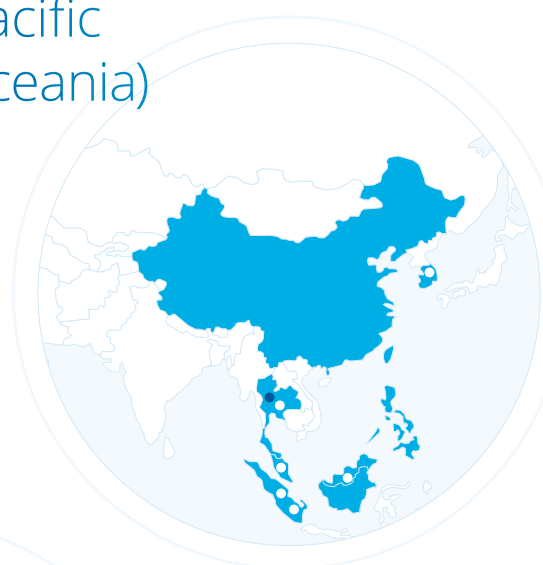
### And Globally Across Four Continents



1.9 mn  
Square feet of space managed  
2,710  
Employees

### Asia-Pacific (incl Oceania)

1.3 mn  
Square feet of space managed  
753  
Employees



1.5 mn  
Square feet of space managed  
482  
Employees

Map not to scale

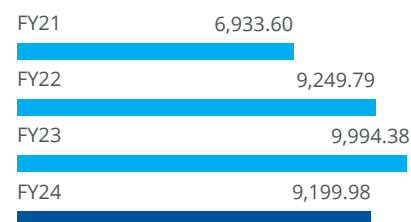


# Showcasing Resilience

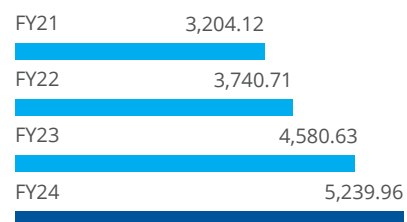
Our performance in FY24 demonstrated the inherent resilience in our business portfolio. We overcame difficult external situations and displayed the intrinsic strength of our business.

During the year, our Integrated Supply Chain Solutions segment delivered growth in revenues and margin across our key geographies. The strong performance in integrated supply chain solutions helped us navigate the impact of difficult external situations arising from the global slowdown in freight, which impacted our network solutions segment. During the year, we also reduced our borrowings considerably, resulting in a capital structure that positions us well to capitalise on growth opportunities in the future. For a detailed analysis, please refer to the Management Discussion and Analysis section.

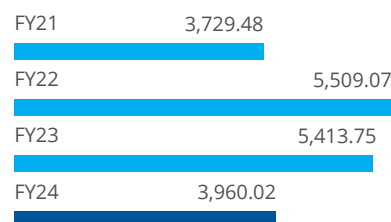
## Revenue From Operations (Consolidated) (in ₹ crore)



## Revenue From Operations (ISCS Segment) (in ₹ crore)



## Revenue From Operations (NS Segment) (in ₹ crore)



Note: total borrowings as of FY23 excludes amounts received against issue of compulsorily convertible preference shares of ₹ 292.30 crore



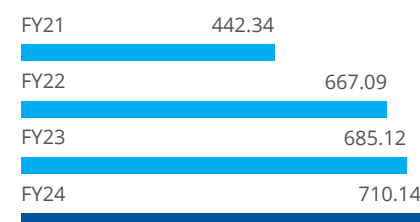
**“We now have a fit balance sheet which positions us well to capitalise on growth opportunities in our markets.”**

**Ravi Prakash Bhagavathula**

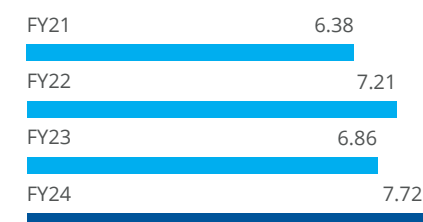
Global CFO

An important step which we took during the year was the reduction of our borrowings. We have repaid all our long-term borrowings and a substantial portion of our working capital borrowings. We now have a fit balance sheet which positions us well to capitalise on growth opportunities in our markets.

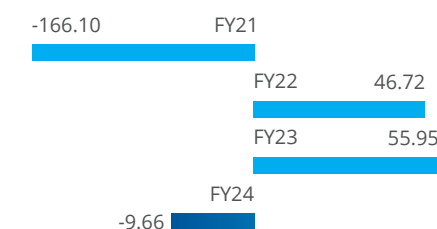
## Adjusted EBITDA (in ₹ crore)



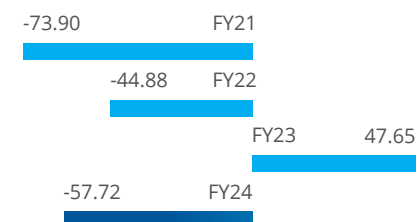
## Adjusted EBITDA Margin (in %)



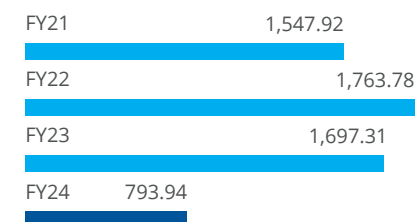
## PBT Before Exceptional Items (in ₹ crore)



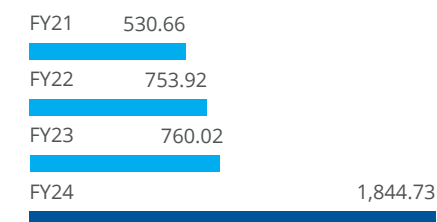
## Profit After Tax (in ₹ crore)



## Total Borrowings (in ₹ crore)



## Total Equity (in ₹ crore)





# Our Solution-Oriented Approach

Our success in shaping and cultivating long-term customer relationships stems from our commitment to providing innovative solutions that add value and drive continuous improvement. By deeply understanding the intricacies of supply chain dynamics, our customers value us as trusted advisors and strategic partners.

Through our solution oriented approach means we seek new ways to innovate and optimise our customers' supply chains. This proactive mindset enables us to anticipate their needs, deliver customised solutions that address current challenges, and position them for future success.

## Integrated Supply Chain Solutions Segment

### Consultancy and Professional Services

We leverage our long operating history and knowledge base to help our customers develop an effective, digitised and scalable supply chain, while maximising potential for future growth. We are supply chain practitioners, and our approach is to consult in a way that aims at offering a scalable solution to transform the supply chain and logistics through efficiency and visibility to deliver improved performance and a reduction in operating costs.

### Integrated Transportation

As part of integrated transportation services, we offer value-added services by following a 'plan for every part' model (PFEP) wherein the volume, weight, source and velocity of supply, frequency and mode of collection for each part is taken and the logistics, collection and supply plan is determined on a dynamic basis. Our transportation solutions include first mile, long haul and last-mile deliveries through milk run, point-to-point and cross-dock, storage and redelivery models.

### Logistics Operation Centres and In-plant Logistics Operations

We provide a range of production support solutions which include warehousing, materials management, containment and rework, vendor managed inventory management, just-in-time or line feeding, sub-assembly, sequencing and kitting, value-add assembly and intra-plant material handling solutions, to customers across multiple sectors. We commence our manufacturing support by way of a consultative process to solutioning consisting of system integration, industrial quality and engineering resources. We collect and analyse the operational data, and our engineering team works collaboratively with the customer to design the solution.

### Finished Goods and Aftermarket Fulfilment

With strategically located across five continents, we aim at enabling our customers to expand their operations across the globe providing them with flexibility, scalability as competitive advantages. We provide tailored solutions for multiple categories of

warehouses, including finished goods warehousing and aftermarket or service parts warehousing solutions. We also provide innovative fulfilment solutions that are tailored to each customer's supply chain requirements. Each solution is designed to seamlessly integrate with our customers' systems to provide an optimal and accurate flow of operational data. In India, we also offer 'free trade warehousing zone' bonded services to a number of customers that serve a wide range of supply chain activities such as warehousing, imported parts and goods storage, inbound transportation, distribution, customs clearance and customer-specific value-added services, such as export kitting, packaging, bolting services, spare parts segregation, and repacking services.

### Sourcing and Procurement

We offer master data, e-catalogue, forecasting, procurement and inventory management solutions by leveraging our sourcing knowledge base, tech platform and processes. We integrate our systems with those of our customers to provide them full visibility to their supply chains. Our sourcing and procurement management solutions include data analytics, order and inventory management, global sourcing and procurement and aftermarket support. The key benefits of our product management solutions are increasing availability of stock, improving quality and the integrity of data and ensuring strategic procurement is competitive.







## Network Solutions Segment

### Global Forwarding Solutions (GFS)

We provide a comprehensive range of services under our GFS business, with an objective to manage end-to-end freight forwarding across ocean, air and land. Our tech platform offers network visibility from planning till destination making it seamless for our customers. Our services include customs brokerage, warehousing and storage, value added services and intermodal and multimodal road transport. With the strength of our solutioning, we have built enduring relationships with our customers.

Our tech platform offers network visibility from planning till destination making it seamless for our customers

### Ocean Freight

We are a non-vessel operating common carrier (NVOCC) allowing us to schedule our customers' ocean cargo with any shipping line, creating flexibility and freedom to choose the most suitable vessel and schedule for our customers' needs. We offer a comprehensive suite of ocean freight solutions, which are agile and inter and multimodal solutions, as well as have capabilities to provide consolidation and de-consolidation of shipments at origin and destination to further optimise supply chain for our customers.

### Air Freight

We work with major reputable airline carriers to provide customised airfreight solutions to a variety of industry sectors and are members of the International Air Transport Association. We also have air forwarding teams, which aims at providing the deliveries to arrive safely, security and on-time, located in key shipping logistics hubs in airports. We also provide 24/7 end-to-end visibility of air freight movements through our technology platform.

### Land Freight

We offer land freight transport through rail and road to our customers. We provide flexible options such as 'Less-than-Truckload' (LTT) and 'Full-Truckload' (FT) and other specialised requirements. Our land freight forwarding capabilities are offered as a value-added service to our customers who move their goods

through our ocean freight and air freight services, providing a 'one-stop' solution and single touchpoint for our customers' needs.

### Project-forwarding Solutions

We offer project-forwarding solutions from flight and vessel chartering to planning and implementing breakbulk and project cargo. We leverage the knowledge and know-how gathered from our operations across geographies and offer a range of project-forwarding solutions and services. Our solution-driven approach aims at innovating and providing project-forwarding solutions to supply chain challenges.

### Integrated Final Mile (IFM)

We offer a wide range of services under our IFM business, such as closed loop logistics (including spare parts logistics services, break-fix, return, refurbishment and engineering support) and time critical consignment delivery services (including same-day and next-day) to both large ('B2B') and small ('B2b') businesses in various industries.

### Closed Loop Logistics and Support

We offer a unique range of innovative distribution options based aiming to enable our customers to fulfil the increased demand for fast delivery to field service engineers and stores as well as replace their fixed costs with a flexible commercial model that supports their growth.

### Forwarding Stock Locations (FSL)

We have a network of forward stocking locations which are typically small warehouses which of spares to enable spares fulfilment by the nearest service engineer. A request for spares is received from the customer's IT system and gets directly allocated to the nearest FSL where the part is available, enabling timely availability of spares. We have established such FSLs in key markets located in India, the United Kingdom, and Europe.

### Pick-up and Drop-off (PUDO) and Intelligent Lockers

We have a comprehensive PUDO network across United Kingdom. We provide an early morning parts delivery and collection service for field engineers providing a comprehensive range of storage, delivery, collection, and exchange options. We also have a large network of intelligent lockers (i.e. keyless and operated through codes that are provided through an SMS) across the United Kingdom that provides a secure location to deliver and collect parcels from.

### In-boot Delivery

We provide in-boot or safe place delivery service to our customers. Our 'in-boot service' is utilised by a wide range of customers across sectors who benefit from reliable next-day deliveries direct to their engineer's car or van boots or designated safe place. This capability has been cross-deployed in other geographies. For instance, in India, we have adapted this capability by deploying two-wheeler biker delivery.

### Engineering Support Services

We offer a range of field technology services across geographies. We offer 'break/fix' services, where our engineers provide support for desktop and enterprise equipment as well as electronic point of sale equipment, ATM machines and printers and technical staffing. In addition, we also provide IT project and deployment services, asset recovery services and repair workshop services.

### Time Critical Consignment Delivery

We offer a complete range of time critical consignment delivery for B2B customers. This includes same-day delivery, next-day delivery and international delivery services.

### Same Day

We cater to customers across multiple business sectors with a range of different delivery requirements by managing their same-day, complex, and time-critical delivery requirements as well as standard delivery by 'the end of the day' services across geographies. Our operational model is flexible and responsive, enabling us to accommodate customer requirements.

### Next Day

We offer a range of 'next-day' delivery services that provides an 'end of next-day' time guaranteed delivery, as well as offer unique 'in-house trunk and last mile service' for highly sensitive consignment. Through our 'trunk and last mile service', we manage consignments entirely within our network and keep the handling points to a minimum.

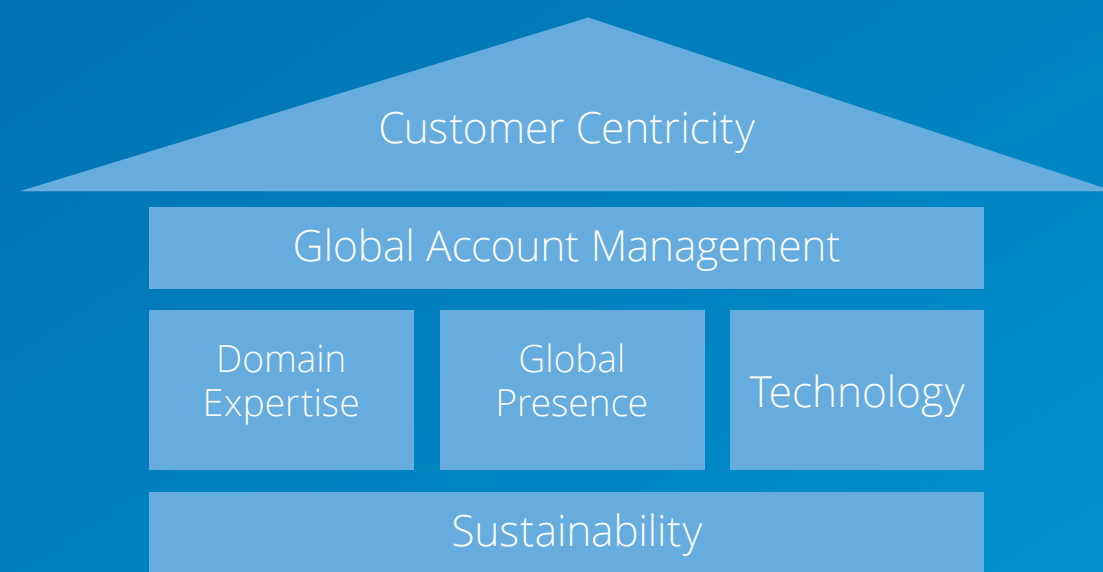
### International Delivery

We have developed an international routing system and have access to a wide range of service partners to ensure that cost and time-efficient methods are selected to dispatch all customer consignments. Our operations team and systems provide the necessary support, including providing accurate and reliable estimated time of arrival (ETA) through e-mail or SMS.



# Focus on Growth

As we have grown, we have focused on opportunities to i) increase business from existing customers and acquire new customers, ii) help us acquire new capabilities and/or iii) increase our geographical presence by expanding to new countries. This framework, based on the 3C's: Customer, Capability, and Country, has guided our journey of growth and evolution. Following the C3 framework, we have been able to grow in our existing core segments, scout for adjacent sectors and pivot into new-age and fast-emerging sectors. We have also built distinctive domain expertise and technology capabilities supporting our global presence.



**“We have invested significant efforts in enhancing our customer service and execution, making for a fully customer-centric approach.”**

**Richard Vieites**  
CEO  
North America

“We focus on connecting with our customers across all levels of their organisations to fully understand their businesses and supply chain needs. Irrespective of the industry sector they operate in, each customer has unique supply chain requirements. Our success is built on the ability to understand those intricacies and suitably position our offering.”

## Our Growth Framework

### Customer-centricity

Our approach to business revolves around customer-centricity, which has been fundamental to our growth and expansion. We prioritise building long-term partnerships with our customers, ensuring we act as strategic partners rather than just service providers. This approach has allowed us to work with 78 Fortune Global 500 companies, showcasing our commitment to comprehensively meeting customer needs. We also continue to nurture long-term customer relationships, highlighting our ability to be a partner through business cycles, changes in the industry dynamics and macroeconomic fluctuations. Our global account management programme implementation further exemplifies this commitment, as we aim to cross-sell and cross-deploy capabilities across geographies for our global customers.

### Global Account Management

We have developed a robust global account management programme to focus specifically on building deep relationships with large customers. Through the global account management programme, we endeavour to expand customer engagement and service delivery across different regions for such global customers. We also target cross-selling capabilities, mining newer opportunities and deploying capabilities across geographies to grow our relationship with these customers. We ensure that our customers receive consistent, high-quality services irrespective of location thus strengthening our customer relationships, driving business growth.

### Domain Expertise

With nearly two decades of experience, we have proven ourselves as specialists in managing complex supply chains across multiple industries. Our know-how spans various sectors: auto, industrial, consumer, tech and tech infra, and rail and utilities. We leverage our deep understanding of supply chain processes and technology to deliver bespoke, tech-enabled solutions that address each industry's unique challenges. This domain expertise is not just a critical component but the cornerstone of our ability to provide innovative and effective supply chain solutions to our customers, reassuring them of our capability to handle their complex supply chain needs.

### Global Presence

We have a significant global footprint across India, the UK, Europe, North America, Asia-Pacific, and Oceania. This extensive geographic reach allows us to serve a diverse customer base and manage supply chains in some of the world's most critical logistics hubs. Our global presence and network present crucial advantages, such as supporting our customers across geographies and the potential to cross-leverage solutions and learnings across markets. We continue strengthening our global presence through robust infrastructure, including a network of warehouses and operational centres that facilitate efficient supply chain management across different markets.

### Technology

Technology is one of our key strengths. Our technology-driven approach ensures seamless integration across various parts of the supply chain, enhancing efficiency and providing real-time visibility and control to our customers. We focus on future-proofing our customers' supply chains through extensive use of technology, including artificial intelligence and digital transformation initiatives. We invest in developing in-house capabilities and leveraging leading third-party software to create flexible, robust technology solutions.

### Sustainability

Sustainability is at the core of how we function as a global enterprise. We integrate environmental initiatives and social responsibility into every aspect of our operations. By adopting a holistic approach to sustainability, we aim to create value for our stakeholders while minimising our environmental footprint. Our proactive efforts to align our practices with global standards and regulations reflect this firm commitment to sustainability. We also emphasise community engagement and the development of eco-friendly solutions.



# Fostering Excellence and Connectivity

In the fast-paced and dynamic global logistics landscape, our people are the cornerstone of our success. At TVS SCS, we recognise that our achievements are a direct result of the dedication, talent and resilience of our workforce.

We are proud of our 17,000+ employees globally spanning 26 countries.

## Accelerating Growth and Development of the Workforce

Investing in our people is fundamental to our growth strategy. We provide comprehensive learning and development programmes to equip our employees with the skills to excel in a rapidly changing industry. Through leadership development initiatives and continuous learning opportunities, we foster a culture of excellence and innovation and a canvas to grow professionally.

The introduction of the Learning Management System (LMS) has revolutionised how our workforce engages with training materials, empowering them to learn at their own pace and allowing access to resources anytime.

- **Taking the LEAD:** In August 2023, we launched LEAD (Leadership Exploration and Discovery), an initiative to empower our leadership teams with invaluable insights into effective people management, change management, and strategic business acumen. The Skillssoft Leadership Development Programme, which is the basis of LEAD, draws on world-renowned thought leadership from MIT (Massachusetts Institute of Technology) Sloan Management Review authors and covers over 30 leadership competencies.
- **Encouraging end-to-end learning:** We use a digital LMS to provide flexible and scalable employee training programmes across global entities. Rolled out in phases, the LMS platform has extended its reach to 7500+ employees in 18 countries with 600+ learning modules.
- **Going beyond digital:** Our commitment to facilitating learning extends beyond digital platforms to encompass instructor-led training sessions conducted virtually or in classroom settings. We have tailored these sessions to address localised contexts and our employee population's specific training needs. The learning hours invested in classroom interventions are documented using the LMS' instructor-led training functionality, capturing attendance records.

## Employee Learning Highlights

### Total Learning Hours

138,152

hours logged in the fiscal year

### Average Learning Time

29.8 hours

per employee (equivalent to 3.7 person-days).

### Learning Formats

- Self-paced online learning on the LMS
- Traditional instructor-led classroom sessions
- Activities on the LEAD platform

### Learning Initiatives Covered

- Compliance training
- Leadership development
- Behavioural soft skills
- Productivity tools
- Safety protocols
- Work instructions

This comprehensive approach ensures that our employees have the skills to excel in their roles.



## Human Capital Management and Communication



**“We actively cultivate a workplace where individuals are valued, developed, and supported through a variety of programmes. Our focus on fostering growth and well-being in an inclusive and diverse environment reflects our belief in the power of us!”**

We are dedicated to continuous learning and professional development, ensuring every team member has the opportunity to reach their full potential. Our initiatives promote employee engagement, mental health, and a culture of mutual respect and collaboration. By embracing diversity and inclusion, we drive innovation and creativity, making our organisation a dynamic and inspiring place to work.

**E Balaji**  
Global CHRO

### Leveraging Technology To Bolster Talent Recruitment, Retention, and Management

We have implemented a new-age Human Capital Management (HCM) platform globally for 17,000+ employees across 26 countries. This platform seeks to make our organisation change-ready for the evolving world of work, with AI-powered efficiency at its core, a unified employee life cycle, speedy deployment, and change management, mobile-enabled and offering employee experience enhancement. Importantly, this platform has eliminated paperwork and administrative tasks done by HR and leaders, freeing their time to focus on strategic initiatives and employee engagement.

We are capitalising our HRMS to create a harmonised and positive employee experience throughout the entire employee life cycle.

BOLD, an acronym of Business Results, Operational excellence and Leadership Development with each team representing a category of goals that the organisation seeks to achieve. This has also helped standardise the performance management process across the organisation via the BOLD digital module, thus ensuring that our distributed workforce has the same goal-setting and evaluation experience irrespective of location.



### Measuring Employee Engagement and Satisfaction Perceptively

The VIBE survey, an annual global employee engagement survey, serves as a crucial avenue for comprehending employee perspectives within our organisation and remains the primary platform for employees to voice their thoughts. Its primary objective is to garner insights into employee perspectives regarding our organisation, facilitating data-driven action plans for our leadership across various departments/regions.

- **Taking a giant leap towards digitalisation:** The survey covers all entities under TVS SCS in 26 countries and is offered in 19 languages. It covers over 17,000+ employees globally and encompasses 38 questions distributed among 12 dimensions. This year, we introduced several notable enhancements to the VIBE survey.
- **Clocking tangible growth across crucial parameters:** This year's survey yielded noteworthy improvements in Overall Satisfaction and Net Promoter Score (NPS) trends for FY24. Delving deeper into the data reveals a substantial increase in Overall Satisfaction, indicating heightened employee contentment regarding the organisation. Similarly,

the NPS rate was notably attributable to increased promoters and decreased detractors. Moreover, this year saw the highest-ever participation rate, growing to 93% from the previous year's 88%.

- **Offering comprehensive support:** Recognising the importance of holistic well-being, we have implemented various initiatives to support our employees' physical, mental, and emotional health, coupled with workplace flexibility measures. Our employee assistance programme (EAP) extends across UK, Europe, and North America, offering comprehensive support to employees facing personal or professional challenges. Moreover, initiatives like cancer runs demonstrate our commitment to promoting physical wellness and community engagement.
- **Designing a nurturing workplace:** To further advance our wellness agenda, we have established a Health & Well-being Steering Group in UK as a focal point for strategic initiatives to enhance employee wellness. Collaborative partnerships, such as the one with HeyGirls to address period poverty, underscore our commitment to social responsibility and inclusivity, ensuring every community member feels respected and included.



#### Vibe Survey: Employee Participation (%)

FY21-22	76
FY22-23	88
FY23-24	93



## Human Capital Management and Communication

### Driving Employee Engagement

In addition to our core initiatives, our ongoing commitment to engaging employees remains steadfast through various dynamic engagement programmes. Notably, Genesis – Company’s formation day, ALPHA – our Founder’s Day celebration, and other milestones such as IPO success have resonated deeply with our global workforce in FY24.

### Commemorating Our Formation Day – Genesis

The Genesis FY 24 theme, ‘Road to Vision 2027 – Growth for all’, garnered widespread acclaim among our employees worldwide. In commemoration of Shri. T S Rajam’s legacy, the eldest son of Shri. T V Sundram Iyengar, the T S Rajam Awards have been instituted to recognise and celebrate the outstanding contributions of regional entities that have played a pivotal role in driving TVS SCS’ global growth. These awards showcase exceptional work across different categories, promoting technology-driven initiatives, sustainability, people practices, innovation and financial metrics.

### Celebrating Resilience via ALPHA 2024

Alpha 2024 embraced the theme of ‘Celebrating Resilience,’ underscoring our collective ability to weather challenges and emerge stronger. A highlight of the event was the heartfelt recognition bestowed upon our long-serving employees, honouring their unwavering dedication and loyalty.

The event marked a significant milestone with the launch of our CSR Tool, symbolising our commitment to making a positive impact beyond business boundaries and underscoring our ethos of responsible corporate citizenship.

This process culminated at the Alpha event on March 22<sup>nd</sup>, where we unveiled the winners of the TVSI Alpha awards for ‘Extra Mile’ and ‘Social Contribution’ category honouring their contributions.



## Getting Workplaces Future-ready

TVS SCS was ranked #7 among the Top 10 future-ready workplaces in India by the prestigious Fortune India magazine. This accolade is a testament to the ongoing HR developmental work on employee engagement, satisfaction, learning and shaping our culture.





# Being a Responsible Corporate

Our Environment, Social and Governance (ESG) vision of *'Leveraging the Power of Us for a Sustainable Planet'* aligns with our vision and emphasises the need for the growth of the community around us and the protection of the environment.

Sustainability aims to create a balance where economic growth can coexist with environmental protection and social progress, ensuring a harmonious relationship between humans and the planet over the long term. Adopting sustainable practices is increasingly crucial for businesses, governments, and individuals to address global challenges such as climate change, resource scarcity, and social inequality.

TVS SCS views on sustainability have evolved significantly in recent years. We recognise that sustainability is not just a buzzword but a critical aspect of our long-term success.

We, at TVS SCS are committed to playing our part by making short and longterm changes to our operations to integrate practices that minimise environmental impact and promote social responsibility.

TVS has a legacy of contributing to society and positively impacting the communities where it conducts its business.

Even though we have been working on sustainability for years, as a management strategy, we decided to formulate our ESG methodology.

Our initial step was to conduct an assessment, identify our current position, and streamline the organisation's material risks/opportunities.

Our recent assessment highlighted our strengths and areas for improvement within our ESG framework. While we excel in many relevant areas, it became

evident that we need to establish clear targets and goals, particularly in our environmental initiatives.

In response, we have defined six foundational pillars to fortify our ESG strategy: Environmental synergy, Empowered workforce, Brand resilience, Product innovation and stewardship, Resilient Governance and community initiatives. Each of these pillars is intricately aligned with specific United Nations Sustainable Development Goals (SDGs), ensuring our strategy advances our organisational objectives and contributes meaningfully to global sustainability efforts. We are currently setting up precise goals and targets within each pillar to promote sustainable practices throughout our organisation.

## ESG Vision for TVS SCS – Leveraging the Power of Us for a Sustainable Planet

We extend the material issues identified for the business into ambitions that the organisation wants to pursue. Each of the areas have been clubbed into six pillars for our sustainability drive in the future.



### Environmental Synergy

We take a proactive stance in optimising our energy needs to achieve minimal impact on the environment and lead by example.

Constitutes **Emissions and Energy Management**



### Empowered Workforce

We strive towards fostering an empowered, knowledgeable and valued workforce through our twin pillars – fairness and equality.

Constitutes **Employee health, wellbeing and safety and Human Capital Development**



### Brand Excellence

Our brand values enable us in sustaining long-lasting customer relationships by delivering trusted and high-quality products/solutions.

Constitutes **Customer Relationship Management**



### Resilient Governance

We strictly adhere to upholding high standards of transparency, accountability and responsible practices to foster trust among our stakeholders.

Constitutes **Corporate Governance**



### Innovation & Product Stewardship

Our environment-conscious approach enables us to preserve the planet by delivering sustainable, purposeful and innovative solutions.

Constitutes **Innovation and Product Stewardship**



### Community Initiatives/Corporate Social Responsibility

TVS SCS Cares "People, Planet, Progress" is the brand launched for the same focusing on the community initiatives.

Constitutes **Community Initiatives**



# Going Green Proactively



“Sustainability and carbon emission reduction are important priorities driven by customer and other stakeholder demands and our corporate goals. We recognise the importance of reducing emissions and improving sustainability across all levels of our operations. By prioritising sustainability at both the local and global levels, we aim to meet customer & other stakeholder expectations and reduce our impact on the environment.”

**Vittorio Favati**  
CEO  
Global Forwarding Solutions

As we evaluate our strategies, we consider both local market dynamics and the broader goals set by the business. This approach blends the unique characteristics of individual operating locations with our organisation’s overarching objectives.

In today’s landscape, sustainability and carbon emissions reduction have become imperative considerations driven by customer demands and our corporate goals. We recognise the importance of addressing emissions and sustainability across all levels of our operations.

To this end, we are actively measuring and reducing our carbon footprint, focusing on emissions across Scope I and II and carbon dioxide emission calculations. This initiative spans multiple countries where we operate, underscoring our commitment to environmental stewardship.

Our primary objective is to align on a unified commitment towards achieving carbon neutrality, setting a clear timeline for reaching this ambitious goal. We are currently defining a global target for the entire organisation, a milestone that signifies our dedication to sustainability and responsible business practices.

We strive to meet customer expectations while positively impacting our planet’s health by concentrating on local and global sustainability. This endeavour echoes our organisational values and exhibits our dedication to making meaningful changes in the communities we serve.

## Our Overarching Approach Involves

### Commitment to Carbon Footprint Reduction by Adopting Various Measures Including

- Working with partners to reduce carbon emission throughout the supply chain,
- Focusing on sustainable sourcing and developing a network of value chain partners;
- Focus on usage of green energy;
- Exploring alternative/reusable packaging sources to minimise waste.



**Our dedication to sustainability extends to our customers. We have collaborated with our customers to design innovative packaging solutions, helping them manage their supply chain more efficiently and create new delivery methods to reduce the trips required to move the same goods. Additionally, we have been working with our customers to promote returnable packaging throughout the supply chain, further reducing our collective environmental impact.**

We have been carrying out various initiatives to create a sustainable supply chain that utilises green logistics to decrease resource consumption, minimise environmental degradation, and reduce pollution during storage, transportation, and packaging while lowering our carbon footprint.

TVS SCS is endeavouring to become Carbon Neutral and then aiming to become net zero.

TVS SCS has started various initiatives which will help to reduce carbon emissions. Some of the key initiatives are as follows:

- Usage of reusable packaging products
- Installation of LED lighting
- Usage of electronic forklifts/material handling equipment
- Installation of EV points at various sites
- Reduction in packaging through the introduction of reusable totes
- Introduction of recycled card/paper to reduce plastic packaging where totes are not suitable
- Installation of solar panels
- Waste management
- Recycling of water
- Installation of water filling station

We have obtained ISO 14001 (Environmental Management System) accreditations in United Kingdom and North America.





# Uplifting Communities

We recognised the importance of community initiatives beyond traditional ESG metrics. To streamline our corporate social responsibility efforts, we launched a unified global CSR brand, TVS SCS Cares, that reflects our commitment to positively impacting people, the planet, and progress.



“...we aim to make a meaningful and lasting impact on the world around us.”

**Jon Croyden**  
CEO  
Integrated Final Mile

“Our ESG and CSR initiatives are testament to our commitment to achieving societal progress and environmental preservation. By aligning our efforts with global goals and leveraging our resources effectively, we aim to make a meaningful and lasting impact on the world around us.”

Our tagline, ‘People, Planet, Progress,’ represents our heartfelt commitment to making a positive impact.



**People**

Deep care for social well-being



**Planet**

Persistent commitment to environmental sustainability



**Progress**

Genuine desire to contribute to societal advancement

## Our Domain Areas



**Environment**



**Quality of Life**



**Skill Development for Employability**



## Focus on ESG – Social

### Our Community Initiatives



#### India

##### Environmental Initiatives

###### Tree Plantation

Planted 10,000 fruit-bearing and coconut saplings, offsetting approximately 250 tonnes of carbon emissions in partnership with Mastermind Foundation, Chennai and Amar Seva Sangam, Ayakudi.

###### Clean India (Swachh Bharat)

Supported the construction of 45 toilets in rural Chennai, improving sanitation for 250 people in partnership with Swami Vivekananda Rural Development, Chennai.

###### Solar-powered Offices

We installed a 20.710 KW solar system at our head office, reducing carbon emissions by approximately 1,800 kg monthly.

###### Pond Desilting

Improved underwater ecosystems and nurtured life forms in desilted ponds in partnership with Swami Vivekananda Rural Development, Chennai.

##### Social Initiatives

###### Education Support

Sponsored education for underprivileged students through partnerships with Plan International, Bhagat foundation and other regional NGOs.

###### Eradicating Hunger

Provided mid-day meals to 480 students in collaboration with Akshaya Patra Foundation and other trusts.

###### Medical Assistance

Supported general medical care for 20,000 individuals, kidney dialysis for 140 patients, and cataract surgeries for 200 individuals through partnerships with HelpAge India and other organisations.

###### Community Engagement

Participated in activities like blood donation camps, flood relief efforts, and distribution of educational kits.

**20,000** people

Provided with general medical support

**140** patients

Provided with dialysis services

**200**

Cataract surgeries undertaken

##### North America

###### Rung for Women

We are an Employer Partner with Rung for Women, a career acceleration programme for women in male-dominated fields. Our HR team volunteers their time and skills to support Rung participants.

###### Susan G. Komen Foundation

We raised \$5,193.80 for breast cancer research through the More than Pink Walk and continue to support the cause through various initiatives.

###### Believe Walk

Our Redlands, CA team participated in the Believe Walk for breast cancer awareness and fundraising.

###### National Breast Cancer Foundation

Employees wrote Notes of Hope during Breast Cancer Awareness Month.

##### Europe

- Social value initiatives, including the Treebytree initiative for the UK Government's Ministry of Defence contract.
- First aid training and support through Canada Life EAP stats.
- Participation in the Race For Life Team from CDC and NDC.

##### Asia-Pacific

- Our TVS Shanghai team joined a tree-planting activity to protect the environment and care for the Yangtze River.
- The Singapore team organised a beach cleaning event at East Coast Park where team members and their families enjoyed a fun, active day while contributing to marine life protection and preserving coastline's natural beauty.

### Notable Projects and Initiatives



Employees collectively wrote over 1,000 Notes of Hope in partnership with the National Breast Cancer Foundation.



We raised contributions for breast cancer research through the More than Pink Walk.

The Treebytree initiative aims to create social value for the UK Government's Ministry of Defence (MOD) contracts.



# Sharing a Unified Vision

At TVS SCS, we emphasise upholding ethical standards, promoting transparency and security. We strive to minimise potential risks and work hard to establish trust with our valued customers and society.

Our commitment to maintaining high ethical standards and promoting transparency underscores our time-tested dedication to providing exceptional service to our customers while ensuring the safety and security of their information.

We have been following global governance norms and best practices including the following:

We have a competent and professional team of Board members and a mix of leaders and thinkers to support our focus on creating value for all our stakeholders. The composition of the Board meets the criteria as prescribed under Indian regulations. Their collective wisdom, experience and vision have been of material significance in establishing the Company as a leading supply chain solutions provider.

We have independent board committees that cover matters related to Risk Management, Corporate Social Responsibility, Audit, Stakeholders' Relationship and Nomination and Remuneration.

We have an independent Internal Audit Function and an Internal Audit Committee commensurate with the nature and size of the Company for various internal controls.



**“TVS SCS strives for highest governance standards and practices. Therefore, we endeavour to continuously improve and adopt the best international governance norms and best practices.”**

**Baminee Viswanat**  
Global General Counsel

As we leverage AI/ ML in our service offerings, it is imperative for us to keep pace with the regulatory developments relating to AI/ML. As the AI ML related regulations are evolving globally, we are focusing on being updated with the laws pertaining to AI/ML and ensuring our solutions offered to our customers comply with these laws.

We ensure data privacy is treated with the utmost care by complying with the data protection laws, including, GDPR, Federal Privacy Act, 1988, Personal Data Protection Act, 2012 etc. As a proactive approach, we have already started working towards formulating an implementation plan for complying with Digital Personal Data Protection Act, 2023.

We have developed a policy framework with GDPR as a guide to address these regulatory challenges proactively. Even in jurisdictions where regulations are evolving, we mandate compliance with our policy, ensuring consistent processes.

For the Company, it's not just about having operating procedures in place; it's also about creating awareness and providing avenues for people to reach out for help when needed. The Company has received positive responses globally, demonstrating that the efforts are adequate.

## Vigil Mechanism

The vigil mechanism envisaged in the Companies Act and SEBI Listing Regulations, is implemented through the Whistleblower Policy to provide adequate safeguards against the victimisation of persons who report genuine concerns regarding unethical behaviour, or actual or suspected fraud, or violation of our Company's Codes and Policies. The policy also makes a provision for direct access to the Chairperson of the Audit Committee. We have a robust mechanism along with a procedure for handling complaints.

## Data Privacy

Our vigilance extends to the integrity and privacy of personal data, with our global data privacy policy, regular audits conducted to ensure compliance with ISO27001 standards and various data protection laws across geographies.

## Prevention of Sexual Harassment Policy

This Policy is adopted to provide a safe, secure, and enabling environment free from sexual harassment. All employees, irrespective of their gender, gender identity and expression, and sexual orientation, as well as women who visit the premises of our Company for any purpose, are covered under this Policy or by the Code of Business Conduct.

## Policy on Material Transaction Disclosure and Related Party Transactions

These Policies are intended to ensure that appropriate reporting, approval, and disclosure processes are in place for all material and related party transactions. They also ensure that all related party transactions are carried out as per arm's length parameters with the requisite approval of the Audit Committee.



# Driving Global Competitiveness in Supply Chains

At TVS Supply Chain Solutions Limited, we are at the forefront of transforming India's supply chain industry to enhance global competitiveness. Our strategic initiatives focus on effective logistics cost management, advanced technological integration, and fostering a culture of continuous innovation.

By leveraging our expertise and resources, we are driving significant improvements in supply chain efficiency, sustainability, and overall performance, positioning TVS SCS and India as leaders in the global market.



**R Dinesh**  
Executive Chairman



**Ravi Viswanathan**  
Managing Director



**K Sukumar**  
CEO  
India



**How can India be globally relevant in the supply chain industry?**

**R Dinesh:** 'Supply chain' has become the buzzword today because the competitiveness of the industry will be decided on how we manage our logistics cost.

It is important to address the ways to bring down the logistics cost to stay globally competitive. Therefore, 'outsourcing' supply chain activities and effective 'asset utilisation' become important parameters to measure the logistics cost efficiency.

Supply Chain outsourcing in developed countries such as the USA – 60%; Germany – 55%; and Japan – 45% are much higher and their logistics cost to GDP is in single digits. Nations that have a higher percentage of supply

chain outsourcing not only have lower logistics cost ratio but have also been able to be globally competitive, efficient, innovative and create more job opportunities.

The Indian Government has correctly focused on infrastructure development and this coupled with its digital initiatives, would help reduce logistics cost significantly. However, the opportunity to increase the asset utilisation through outsourcing would help further digitise and develop India-made solutions for the other parts of the world. Therefore, adopting the right methodology to estimate the logistics cost, digitisation, and encouraging the outsourcing model will help India to bring down its logistics cost to single digit faster.

I believe the differentiation of India is going to be how we use the digital know-how and the digital technologies, which both from the government side and the companies which are associated with this sector, are developing and will develop going forward.



**IPO was a key highlight for TVS SCS in FY 24. Can you elaborate on the positive outcomes of IPO?**

**Ravi Viswanathan:** The IPO gave us the brand visibility. We now participate in deals where customers have complete transparency to who we are; what we do and know about our financials. IPO certainly helped us participate in some of the large deals outside

India. We are participating in large deals as a single participant and in some as a consortium partner. If we had 3 or 4 large deals in the pipeline before the IPO, it is now in double digits.





**Q** You cater to customers in different segments. How do you tailor your solutions for sectors such as manufacturing, FMCG and e-commerce for example?

**K Sukumar:** In the automotive sector, we provide kitting, sequencing, sub-assembling, on-time delivery, warehouse management and inventory management to ensure uninterrupted production lines. In the FMCG, we focus on maintaining product availability, optimised warehousing and distribution networks.

In the e-commerce sector, we enhance delivery speed and accuracy through advanced order fulfilment and last-mile delivery services.

We support our customers through industry-leading technology systems and state-of-the-art warehousing solutions. With 300 strategically located warehouses across five continents, covering 25.5 million of warehousing space, we provide flexibility, scalability, and a significant competitive advantage, ensuring efficient supply chain management and operational excellence across different sectors.

**Q** How does innovation drive growth and competitiveness, and how can supply chain industry stakeholders foster an innovative culture?

**R Dinesh:** If I take a step back and look at it, I think way back in early 90s, the Indian industry started maturing, because we looked at incremental improvements, which was called Kaizen then.

This culture of quality, culture of continuous improvement is key to the success of supply chain sector. Having said that, innovation is not going to come from one person who is going to give all the

ideas. It is about harnessing every employee who works for the Company and bringing them on board to think about how they can do things better, smarter, and in a way that reduces their wear and tear and fatigue, but equally importantly, that then reduces cost and increases the competitiveness of the industry.

So, the innovation need not be big-ticket ones. It can be incremental in nature, it can be digital, or better usage of technology, it can be best practices brought into play, and last but not the least, it can, result in better conditions of working and enjoyment in working for people.

That's how I look at innovation actually being part of the DNA of a company or of any organisation.

**Q** You positioned yourself as a tech-led supply chain solutions provider. How technology is adding value to our customers?

**Ravi Viswanathan:** Technology has been our key differentiator and we have made significant investments in IT over the years. We utilise our deep knowledge of technology and experience to construct robust and flexible technology services that cater to our customers' requirements. Our 'plug-and-play modules' can be seamlessly integrated with our customers' internal systems, including their existing enterprise resource planning systems.

Further, we deploy advanced tech-enabled systems such as, automated storage and retrieval system, drone technology, machine learning and robotics, vision tech, etc. in our overall solutions. We continue to focus on AI enhancements to our solutions and deployed AI at scale across geographies to leverage our technology stack.

Our technology strength provides us with a significant edge as an innovative provider of logistics solutions that enhance visibility, speed, accuracy, and cost-effectiveness for our customers.

**Q** Can you elaborate on the use of technology at warehouses for efficient operations?

**K Sukumar:** We offer multiple warehousing and storage types, such as, Contract Warehousing, Cross-Docking, Open Yard Management, Rework and Refurbish Management; State-of-the-art; Multi-User Facilities; Palletised & Racked; and Temperature controlled.

The supply chain technologies and processes are the core of our solutions. By leveraging our sophisticated technology and software systems framework, we build tailor-made solutions for various supply chain activities. Our digital platforms are predominantly cloud-based, powered by a micro service-based architecture, and are highly scalable and reliable.

This enables us to implement innovative solutions across multiple geographies in a relatively short time, and deploy a solution developed for one industry and apply it to other industries to enhance the value we offer to our customers. Our technological solutions are capable of being integrated with our customers' IT infrastructure, ensuring long-standing relationships with our customers. Our business thrives on investments in technology, talent and processes, enabling us to automate and digitalise supply chains for our customers.

We have an operational technology platform that includes in-house systems and software such as Msys, i-Loads, Visibility, Courier Alliance, LCL Consolidator and e-Connect. The technology infrastructure is supported by the smart centre control tower, development centres and through our 'Centre of Excellence'.



## Panel Discussion



**How will your experience of leading CII translate into your role as Executive Chairman of TVS SCS?**

**R Dinesh:** If I look at my role in CII, it has been a tremendous learning, but that is more relevant from the knowledge that you pick up, the understanding that you develop of various sectors, various industries, international engagements which we do, and in a way, I would say, it also has helped me understand how investors perceive India, and opportunities they have in India.

The knowledge which I have picked up about the expectations of investors and the expectations from India are something which I will definitely carry forward to use it in the TVS Supply Chain perspective.



**The Company returned to profitability in Q3 of FY 24. The business outlook remains positive – what is your take on the outlook?**

**Ravi Viswanathan:** We were profitable before COVID-19 and we returned to profitability in Q3 of FY 24. Our business development efforts continue to deliver results as expected and we continue to see positive demand drivers across our geographies. Our core strategy focuses on customer acquisition and

customer mining. Our Fortune Global 500 customers have increased from 62 to 78 in two years. The quality of our customers and engagements is setting us up well for FY25 and beyond. We are optimistic and confident of overcoming external challenges in global freight and continue to create value to all our stakeholders.



**Could you take us through your initiatives on sustainability and carbon footprint?**

**K Sukumar:** Our focus is on building sustainable supply chains that focus on using green logistics and reducing resource consumption, environmental degradation and pollution. Our initiatives include exploring alternate sources for packaging to minimise waste and engaging with partners to reduce carbon through the supply chain as well as constantly developing a sustainable

network of suppliers. We are also working with a few customers to design innovative packaging solutions for managing their supply chain and create innovative methods of delivery, aimed at reducing the number of trips for moving the same quantity of goods they need. We are also working with our customers to promote returnable packaging across the supply chain.

## CORPORATE INFORMATION

### TVS SUPPLY CHAIN SOLUTIONS LIMITED

#### Chairperson

Sri. R Dinesh

#### Managing Director

Sri. Ravi Viswanathan

#### Directors

Sri. Tarun Khanna

Sri. B Sriram

Ms. Gauri Kumar

Sri. Narayan K Seshadri

Ms. Shobhana Ramachandran

Sri. K Ananth Krishnan

Sri. Anand Kumar

Sri. Ashish Kaushik

#### Chief Financial Officer

Sri. Raviprakash Bhagavathula

#### Company Secretary

Sri. P D Krishna Prasad

#### Statutory Auditors

S.R. Batliboi & Associates LLP

#### Bankers – India

State Bank of India

Axis Bank Limited

DBS Bank India Limited

HDFC Bank Limited

IndusInd Bank Limited

IDFC Bank Limited

Standard Chartered Bank India

Yes Bank Limited

#### Bankers – Overseas

Export-Import Bank of India

Barclays Bank PLC

DBS Bank Ltd, Singapore

Axis Bank Limited, Singapore

IndusInd Bank Limited, Gift City

Yes Bank Limited

#### Registered Office

10, Jawahar Road, Chokkikulam, Madurai - 625 002, Tamil Nadu.

**Website:** <https://www.tvsscs.com>

#### Corporate Identification

**Number:** L63011TN2004PLC054655

#### Registrar and Share Transfer Agent

M/s. Link Intime India Private Limited

C-101, 1<sup>st</sup> Floor, 247 Park,

L B S Marg, Vikhroli (West),

Mumbai – 400 083, Maharashtra

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)



## Directors' Report

Your Board of Directors ("the Board") of TVS Supply Chain Solutions Limited ("TVS SCS"/ "Company") is pleased to present the Twentieth Annual Report together with audited accounts for the year ended March 31, 2024 ("FY24" or "during the year").

### FINANCIAL RESULTS

Key highlights of the financial results of your Company for FY24 are as under:

Particulars	₹ in Crores)			
	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenues from operations	1938.27	1818.56	9199.98	9994.38
Other income	201.38	159.88	54.85	75.63
Total Income	2139.65	1978.44	9254.83	10070.01
Adjusted EBITDA	173.13	103.02	710.14	685.12
Profit/(Loss) before tax from continuing operations	131.26	(10.83)	(36.07)	45.95
Profit/ (Loss) after tax from continuing operations	105.45	(29.26)	(57.72)	47.65
Profit/ (Loss) before tax from discontinued operations	-	-	(32.77)	(5.89)
Profit/ (Loss) after tax from discontinued operations	-	-	(32.77)	(5.89)
Profit/(Loss) for the year	105.45	(29.26)	(90.49)	41.76
Other comprehensive income, net of tax	(2.11)	(1.83)	11.20	(50.65)
<b>Total comprehensive income</b>	<b>103.34</b>	<b>(31.09)</b>	<b>(79.29)</b>	<b>(8.89)</b>

### BUSINESS PERFORMANCE

#### State of Affairs of the Company/ Business Operations

TVS Supply Chain Solutions is India's largest supply chain solutions provider. We are specialists in transforming supply chains through effective use of technology to deliver improved efficiencies.

We pioneered the development of the supply chain solutions market in India. For close to two decades, we have managed large and complex supply chains across multiple industries in India and select global markets through customised tech-enabled solutions. Our solutions encompassing the entire value chain from sourcing to consumption fall under two segments: Integrated Supply Chain Solutions ("ISCS") and Network Solutions ("NS"). We have consolidated our leadership position in India and expanded our geographical presence, capability expertise, and customer relationships.

For FY24, total income was ₹ 9,254.83 crores compared to ₹ 10,070.01 crores in FY23. During the year, the business saw substantial growth in revenues from

ISCS segment. But this was offset by decline in freight rates and geo-political tensions that impacted the NS segment thus, resulting in a decline in consolidated revenue. Your Company's focus on business development continues to deliver strong results. Your Company added ₹ 880 crores additional revenue from the business development in FY24. The number of Fortune 500 customers serviced by your Company has grown to 78 as at FY24 compared to 72 in FY23, reflecting the steady growth of marquee customers of the Company.

Adjusted EBITDA grew to ₹ 710.14 crores, marking a YoY growth of ₹ 25.02 crores despite the decline in revenue. The Company returned to profitability in Q3 through sustained growth in the ISCS segment. The NS segment demonstrated stability and reversed the declining trend in revenue with growth in Q4. Your Company has utilised proceeds from the Pre-IPO, IPO and internal accruals to reduce total borrowings on a consolidated basis, from ₹ 1697.31 crores (excluding compulsorily convertible preference shares of ₹ 292.30 crores) as of March 31, 2023 to ₹ 793.94 crores as of March 31, 2024.

### Integrated Supply Chain Solutions

Particulars	₹ in crores)	
	FY24	FY23
ISCS Segment Revenue (External)	5239.96	4580.63
ISCS Segment Adjusted EBITDA	536.21	408.10
ISCS Segment Adjusted EBITDA Margin %	10.23%	8.91%

The ISCS segment exhibited exceptional growth, marked by double-digit growth in both revenue and adjusted EBITDA for FY24. Segmental revenue from operations for the fiscal year reached ₹ 5239.96 crores, reflecting a robust 14.39% year-over-year growth with adjusted EBITDA of ₹ 536.21 crores for FY24, demonstrating an impressive 31.39% increase year-on-year. The adjusted EBITDA margins also expanded by 130 bps YoY. This strong performance is underpinned by several key drivers, including consistent business development, increased wallet share from existing customers, effective cost management, operational efficiency and leveraging of digital initiatives.

ISCS segment revenue has achieved remarkable growth between FY21 and FY24, with a CAGR of 17.82% and has outperformed the GDP growth in the markets in which your Company operates. This growth is a testament to your Company's strategic focus and resilience in a competitive environment.

### Network Solutions (NS)

Particulars	₹ in crores)	
	FY24	FY23
NS Segment Revenue (External)	3960.02	5413.75
NS Segment Adjusted EBITDA	185.85	301.06
NS Segment Adjusted EBITDA Margin %	4.69%	5.56%

In the NS segment, your Company has taken specific measures to drive operational efficiencies through better procurement and cost management. This has helped to navigate external challenges on account of falling freight rates and geopolitical tensions in FY24. The positive impact of these initiatives is expected to become more visible in the coming quarters.

Looking ahead, your Company remains committed to its growth trajectory and leveraging its strengths to capitalise on emerging opportunities in the market. The continued focus on innovation, process improvement, and technology integration shall enable your Company to deliver superior value to the stakeholders and maintain its competitive edge in the industry.

### Material Developments

#### Initial Public Offer

During the year under review, your Company successfully completed its Initial Public Offer

("IPO"). The public issue consisted of a fresh issue of 3,04,56,852 equity shares and an offer for sale of 1,42,13,198 equity shares, at a price of ₹ 197 per share (face value of ₹1 and a premium of ₹ 196). Equity shares of the Company were listed in National Stock Exchange of India Limited and BSE Limited with effect from August 23, 2023.

The IPO opened on August 10, 2023 and closed on August 14, 2023 and was subscribed 2.78 times the offer size, with retail portion being subscribed 7.61 times. Several noteworthy investors subscribed to the issue, reflecting their confidence in TVS brand and legacy. The Board wishes to place on record their gratitude for the trust, faith and confidence reposed by the institutional investors, public, and other shareholders in the Company in making the IPO successful. The Board would also like to place on record their deep appreciation for the significant contribution and sincere efforts made in the IPO process by all the agencies associated with the IPO, including book running lead managers, syndicate members, legal counsels, registrar to the offer, advertising agency, monitoring agency, Registrar of Companies - Chennai, stock exchanges and, management team and employees of the Company.

### Subsidiary, Associates and Joint Ventures

As of March 31, 2024, your Company had sixty-five (65) subsidiaries (including step down subsidiaries) and one (1) joint venture within the meaning of the Companies Act 2013.

TVS SCS Global Freight Solutions Limited ("GFS India"), RICO Logistics Limited (UK), TVS Supply Chain Solutions Limited (UK), TVS Supply Chain Solutions North America Inc. USA and TVS SCS Singapore Pte. Ltd. are material unlisted subsidiaries of the Company pursuant to provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The policy for determining material subsidiaries is hosted on the website of the Company at <https://www.tvsscs.com/policy-for-determination-of-material-subsiidiary/>.

During the year, two step down dormant global subsidiaries namely, Transtar International Freight (Shanghai) Ltd., TVS SCS International Freight Singapore Pte. Ltd., were closed as per provisions under local statutes. Further, Company's wholly owned subsidiary, RICO Logistics Ltd., UK sold 100 % of its holding in its subsidiary, Circle Express Ltd.

During the year, the Board of TVS SCS approved the scheme of merger by amalgamation of TVS SCS Global Freight Solutions Limited, FLEXOL Packaging (India) Limited, White Data Systems India Private Limited and SPC International (India) Private Limited (collectively wholly owned subsidiaries of TVS SCS) and Mahogany



Logistics Services Private Limited with TVS SCS, subject to the receipt of approvals from statutory and regulatory authorities. The scheme of merger is under progress and the updates on the same would be intimated to the stock exchanges, as required under the SEBI Listing Regulations. The above two initiatives are in line with the Company's long-term objective of simplifying its operating structure.

The Report on the performance and financial position of the subsidiaries and joint venture is provided in the Notes to the Consolidated Financial Statements. Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("Act"), read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the Financial Statements of the Company's subsidiaries and joint venture in Form AOC-1, is annexed as Annexure - A to the Report.

Pursuant to the provisions of Section 136 of the Act, the Standalone Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate audited financial statements with respect to the subsidiaries and joint venture are available on the website of the Company at <https://www.tvsscs.com/investor-relations/>. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies and joint venture.

The details of investments made in various subsidiaries and Joint Venture are provided as part of the Financial Statements for FY24.

### CHANGES IN CAPITAL STRUCTURE

The paid-up share capital of the Company as on March 31, 2024 was ₹ 44,06,82,420 Crores, comprising of 44,02,08,910 equity shares of face value of ₹ 1 each, 16,00,000 equity shares of ₹ 1 each forfeited at ₹ 0.2 each and 15,351 non-convertible redeemable preference shares of face value of ₹ 10 each

During the financial year, the Company has:

- allotted 3,72,04,420 equity shares of ₹ 1 each to identified investors on preferential /private placement basis.
- allotted 304,56,852 equity shares of ₹ 1 each, as fresh issue as part of IPO.
- allotted 86,08,718 fully paid-up equity shares of ₹ 1 each, pursuant to the employee stock option plans of the Company.

### DIVIDEND DISTRIBUTION POLICY

Your Company has formulated a Dividend Distribution Policy, with an objective to provide the dividend distribution framework to the stakeholders of the Company. The policy sets out various internal and

external factors, which shall be considered by the Board in determining the dividend pay-out. The policy is available on the website of the Company at <https://www.tvsscs.com/dividend-declaration/>.

### DIVIDEND

Your Directors have decided not to recommend any dividend for the financial year ended March 31, 2024, in view of reported financial loss.

### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

During the year under review, there was no unpaid/unclaimed dividend to be transferred to IEPF Account.

### TRANSFER TO RESERVES

Your Company has not transferred any amount to the reserves for FY24.

### PUBLIC DEPOSITS

Your Company has not accepted any deposit within the meaning of provisions of Chapter V of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014 for the year ended March 31, 2024.

### MATERIAL CHANGES AND COMMITMENTS

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

### CORPORATE GOVERNANCE

Your Company believes in adopting best practices of corporate governance and adhere to corporate governance guidelines as laid out in SEBI Listing Regulations. Corporate Governance to the Company is about promoting fairness, transparency and accountability in the management and decision-making processes. It is the foundation for building trust with shareholders and stakeholders. The Corporate Governance Report of the Company for the FY24 forms part of the Annual Report.

A certificate from Practicing Company Secretary affirming the compliance of Corporate Governance norms as required under SEBI Listing Regulations is annexed to the Corporate Governance Report.

The Managing Director and Chief Financial Officer certification of the financial statements for the FY24 and the declaration by the Managing Director regarding compliance to Code of Conduct pursuant to SEBI Listing Regulations are annexed to Corporate Governance Report.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Directors

The Board at its meeting held on August 29, 2023, based on the recommendation of the Nomination and Remuneration Committee, appointed Sri. K Ananth Krishnan and Sri. Narayan K Seshadri as Independent Directors of the Company for a period of 5 years with effect from August 29, 2023 and the shareholders approved the special resolutions in respect of their appointment through Postal Ballot on November 24, 2023.

Consequent to expiration of term as Independent Director, Sri. S Mahalingam, stepped down as Chairman with effect from August 29, 2023. The Board, based on the recommendation of the Nomination and Remuneration Committee, appointed Sri. R Dinesh, as Executive Chairman with effect from August 29, 2023.

Sri. S Ravichandran, resigned as a Director of the Company with effect from August 29, 2023.

The Board expresses its appreciation of the valuable contributions made by Sri. S Mahalingam and Sri. S Ravichandran during their tenure of office as Directors of the Company.

Ms. Shobhana Ramachandhran and Sri. Ashish Kaushik, Non-Executive Directors, retire by rotation at the forthcoming Annual General Meeting ("AGM") and being eligible, offer themselves for re-appointment. The resolutions seeking approval of the members for their re-appointment has been incorporated in the Notice convening the AGM of the Company along with brief details about them.

### Key Managerial Personnel ("KMP")

The Key Managerial Personnel of the Company for the purpose of the Act are:

Name	Designation
Sri. R Dinesh	Executive Chairman
Sri. Ravi Viswanathan	Managing Director
Sri. Raviprakash Bhagavathula	Chief Financial Officer
Sri. P D Krishna Prasad	Company Secretary

There are no changes in the composition of KMP for FY24.

The remuneration and other details of these KMP for FY24 are provided in the Annual Return which is available on the website of the Company.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act, the Board to the best of their knowledge and ability, confirm that:

- in the preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards had been followed;
- they had in consultation with Statutory Auditors, selected the accounting policies and applied them consistently and made judgements and estimates that are reasonably prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2024 and of the profit of the Company for the financial year ended March 31, 2024;
- proper and enough care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual financial statements have been prepared on a going concern basis;
- proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively during the financial year ended March 31, 2024;
- proper systems have been devised to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively during the financial year ended March 31, 2024.

## BOARD / COMMITTEES

During FY24, eight (8) board meetings were held. The details of composition of the Board and its Committees, terms of reference of the Committees and the details of meetings held during the financial year are furnished in the Corporate Governance Report, which forms part of the Annual Report.

## INDEPENDENT DIRECTORS

The Company has received declarations from the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Section 149(6) of the Act and Regulation 16(1) (b) of SEBI Listing Regulations.



Senior management personnel of the Company, interacted with directors from time to time to enable them to understand the Company's strategy, business model, operations, markets, organisation structure, finance, human resources, technology and such other areas. The Company has also disclosed the Director's familiarisation programme on its website at <https://www.tvsscs.com/familiarization-programme-for-independent-directors/>

In the opinion of the Board, the independent directors are persons of high integrity and repute and possess the requisite proficiency, expertise and experience and fulfil all the conditions specified in the Act and Rules made thereunder and are independent of the management.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT ("MD&A")

The MD&A Report for FY24, as stipulated under Regulation 34 of the SEBI Listing Regulations, is annexed separately and forms part of the Annual Report.

## EMPLOYEE STOCK OPTION SCHEMES

The Company's employees stock option schemes are detailed below:

- TVS SCS Management Incentive Plan I, 2018 ('MIP I'),
- TVS SCS Management Incentive Plan II, 2018 ('MIP II'), and
- TVS Supply Chain Solutions Employee Stock Option Plan 2021 ('ESOP 21').

Pursuant to Regulation 12 (1) of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEBSE Regulations), the MIP I, MIP II and ESOP 21 schemes were ratified by shareholders through postal ballot on November 24, 2023.

In terms of Regulation 14 of SBEBSE Regulations, the disclosures with respect to MIP I, MIP II and ESOP 21 have been provided on the website of the Company at <https://www.tvsscs.com/investor-relations/>.

## AUDITORS

### Statutory Auditors

The Shareholders of the Company at their meeting held on August 10, 2023, have re-appointed M/s. S.R. Batliboi & Associates LLP as the Statutory Auditors of the Company for a second term of five (5) from the conclusion of 19<sup>th</sup> AGM till the conclusion of 24<sup>th</sup> AGM, based on recommendations of the Audit Committee and Board. Your Company has obtained the necessary certificate from the Statutory Auditors

confirming their eligibility to continue as Statutory Auditors of the Company for the FY24.

The Auditors' Report does not contain any qualification, disclaimer or adverse remarks.

### Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. K Venugopalan, Practicing Company Secretary, was appointed as Secretarial Auditor of the Company for FY24.

The Secretarial Audit Report for the financial year ended March 31, 2024, in Form No. MR-3 is attached as Annexure B to Director's Report. The Secretarial Audit report does not contain any qualification, reservation or adverse remarks.

GFS India, a material unlisted Indian subsidiary of the Company has obtained Secretarial Audit Report from Mr. K Venugopalan, Practicing Company Secretary and it does not have any qualification, reservation or adverse remarks. The report is attached as Annexure C.

### Internal Auditor

During the year, M/s. KPMG (Registered) was appointed as Internal Auditors of the Company for FY24 to conduct the internal audit of the Company.

### Cost Records and Cost Audit

Maintenance of Cost Records and requirement of Cost Audit as prescribed under Section 148(1) of the Act are not applicable for the business activities carried out by the Company.

## ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as on March 31, 2024, is available on the Company's website at <https://www.tvsscs.com/investor-relations/>

## REMUNERATION POLICY

The Board, based on the recommendation of the Nomination and Remuneration Committee, has laid down a policy on appointment of Directors and their remuneration, KMP and Senior Management Personnel.

The Company's policy on appointment of Directors, remuneration and other matters provided in Section 178(3) of the Act is available at the website at <https://www.tvsscs.com/remuneration-and-diversity-policy/>

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosure pertaining to the remuneration and other details as required under Section 197 (12) of the Act and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in Annexure D and forms part of this Report. Details of employee remuneration as required under the provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available on the website of the Company and can be accessed at the weblink <https://www.tvsscs.com/investor-relations/>

## EVALUATION OF BOARD / BOARD COMMITTEES

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has carried out annual performance evaluation of its own performance and that of its committees as well as performance of all the directors individually.

## LOANS/ GUARANTEES / INVESTMENTS

The particulars of loans, guarantees and investments under Section 186 of the Act, read with the Companies (Meetings of Board and its Powers) Rules, 2014, for FY24 form part of the Notes to the Financial Statements.

## RELATED PARTY TRANSACTIONS

Your Company has in place a Policy on Related Party transactions as approved by the Board and the same is available on the website of the Company at <https://www.tvsscs.com/related-party-transactions-policy/>.

All contracts, arrangements, transactions entered by the Company during FY24 with related parties were in ordinary course of business and on an arm's length basis and are in compliance to applicable provisions of the Act/ SEBI Listing Regulations. Hence, the disclosure of related party transactions in Form AOC-2 is not applicable.

Details of related party transactions entered into by your Company have been disclosed in Notes to Financial Statements.

## CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Pursuant to Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has adopted a Policy on CSR which is placed on the website of the Company at <https://www.tvsscs.com/global-csr-policy/>.

The Annual Report on CSR activities for the FY24 is attached as Annexure E to Director's Report.

## VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your Company believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Pursuant to the provisions of Section 177(9) of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 4 of the SEBI Listing Regulations and in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, your Company has established a Vigil Mechanism and has a Whistle Blower Policy. The Policy is hosted on the website of the Company at <https://www.tvsscs.com/whistle-blower/>

## ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During FY24, there are no orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and future operations of the Company.

## INSOLVENCY AND BANKRUPTCY CODE, 2016

During FY24, your Company has neither made any application nor have any proceedings pending under the Insolvency and Bankruptcy Code, 2016. There was no instance of one-time settlement with any Banks or financial institutions.

## ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company has a well-defined internal control system commensurate with size, scale and complexity of operation to support the business operations and to ensure statutory compliance. The internal audit is carried out by M/s. KPMG (Registered) whose function is defined through internal audit charter, which includes inter alia transaction audit, systems audit and process audit. In order to maintain their independence and objectivity, the internal audit function directly reports to the Audit Committee. The detailed annual audit plan is rolled out and the same is approved by the Audit Committee. Suitable internal checks have been built in to cover all monetary transactions with proper delineation of authority, which provides for checks and balances at every stage. Your Company has an Audit Committee of Directors to review financial statements to shareholders. The role and terms of reference of the Audit Committee cover the areas mentioned under the SEBI Listing Regulations and Section 177 of the Act.

## RISK MANAGEMENT

The Risk Management Committee ("RMC") monitors the risk management practices of the Company. The RMC reviewed the risk management framework, the potential risks associated with the Company's business



and discusses steps taken by the management to measure, manage and mitigate the same.

## RESEARCH AND DEVELOPMENT, CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

### Conservation of Energy:

Your Company focused on building sustainable supply chains, using green logistics and reducing resource consumption, environmental degradation and pollution, in the process of storage, transportation, and packaging by reducing carbon footprint. The initiatives include exploring alternate sources for packaging to minimise waste and engaging with partners to reduce carbon through the supply chain as well as constantly developing a sustainable network of suppliers. Your Company is collaborating with certain customers to design innovative packaging solutions for managing their supply chain and promote returnable packaging across the supply chain which will reduce carbon footprint and reinforce sustainability.

### Technology Absorption:

Technology is the core of your Company's solutioning. With the help of technology and software systems, your Company builds tailor-made solutions for various supply chain activities. The technology enables us to automate and digitalise supply chains for customers and are capable of being integrated with customers' IT -ecosystem. The digital platforms are largely cloud based, powered by a micro service-based architecture and are scalable and reliable.

Your Company has made consistent investments in technology over the years and it has enabled key advantages to existing traditional supply chains flexibility, intelligence and efficiency. During the year, the efforts on technology were centered around key business objectives:

- Launched the 2.0 version of GFS eConnect: a digital platform for freight management. It has several features including carbon (CO2) emission tracking, providing our customers with critical and precise details about their carbon emissions. The eConnect platform is also available as a mobile app version.
- Rolled out a mobile app for locker service management along with an admin portal for the integrated final mile business.
- Alpha Experience Platform (AXP) launched which digitises customer-transporter/driver interaction. Customers use the platform to monitor and track orders. The platform uses Artificial Intelligence (AI) to validate Proof of Delivery wherein the Driver's

handwritten proof can be transcribed automatically without manual intervention.

- Initiated an AI Pilot Project with a Large Language Model (LLM) deployed on permission controls and being used to support new business bids and general support.

### Customer Experience

- Development and deployment of an IT system for spare parts management for a large vehicle OEM customer in South- East Asia.
- Deployed in-house warehouse management: Visibility, across customer engagements in multiple industry sectors in India.
- Development and deployment of a front-end Integrated Customer Digital platform with initial pilots for India customers. This allows the customers to track their orders, have visibility through dashboards.
- Development of an in-house integrated platform with the ability to seamlessly and quickly integrate with our customer platforms.
- Development of an Enterprise Data Platform and a Master Data Management serving as a single source of truth and the ability to generate analytical dashboards for internal operations and customers.
- Deployed the i-EX platform to support the integrated final mile operations in India.
- Developed enhancements to multiple modules of MSys as part of solutioning for a large gas & utilities customer in the UK.
- Deployed AI based solutions at scale across multiple geographies, including a digital image recognition platform enabling six sigma process efficiency at a two -wheeler OEM in India

### Systems & Internal Controls

- Built and deployed a new platform S2B (Service 2 Billing) to support business processes in the Integrated Final Mile business.
- Expanded scope and deployment of T-Jarvis: in-house contract management & document repository platform. This includes Insurance and Real Estate Management
- Multiple apps were developed using the Low Code/No Code Platform for Audit App, Treasury Management, Vibe Portal, Corporate Finance Statutory Compliance app, Alpha Award Management Portal.
- Multiple Gen AI engagements to help improve the productivity of our teams.

- Increased focus continues on having a secure platform with ISO certifications obtained across the globe and having the highest focus on our security measures.

### Foreign Exchange earnings and outgo

The details of Foreign Exchange earnings and expenditure during the year are given below:

	(₹ in crores)
Foreign exchange earnings:	93.84
Foreign exchange outgo:	6.08

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 ("POSH Act")

Your Company has in place a policy for prevention of sexual harassment in line with the requirements of POSH Act. The Company has complied with the provisions relating to the constitution of Internal Complaints Committees (ICC) under POSH Act. ICC has been set up to redress complaints received regarding sexual harassment. During the year under review, your Company has received 1 (one) complaint pertaining to sexual harassment and same was resolved.

## ACKNOWLEDGEMENT

The Board takes this opportunity to gratefully acknowledge the co-operation and support received from the shareholders, suppliers, vendors, customers, bankers, business partners / associates, channel partners, bankers, financial institutions, regulatory / government authorities. The Board record their appreciation for the contributions made by employees of the Company, its subsidiaries and associates for their hard work and commitment towards the success of your Company. Their dedication and competence have ensured that your Company continues to be a significant and leading player in the industry.

For and on behalf of the Board  
For **TVS Supply Chain Solutions Limited**

sd/-

**R Dinesh**

DIN: 00363300

Executive Charman

Date: May 27, 2024

### Registered Office:

10, Jawahar Road, Chokkikulam, Madurai, Tamil Nadu, 625002  
CIN: L63011TN2004PLC054655

Website: [www.tvsscs.com](http://www.tvsscs.com)

E-mail: [cs.compliance@tvsscs.com](mailto:cs.compliance@tvsscs.com)

Tel: 044-66857777



FORM AOC-1

[Pursuant to first proviso to sub section 3 of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]  
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE / JOINT VENTURE

PART A - SUBSIDIARIES

Sl. no	Name of the Company	Country	Reporting Currency	Exchange rate			Reporting period	Share capital	Reserves	Total Assets	Total Liabilities	Turnover	Profit before taxation	Provision for taxation	Profit after taxation
				Closing	Average										
1	TVSDGFS	India	INR	1	1		FY 2023-24	12,000,000	1,830,116,047	2,462,654,939	620,538,892	5,736,021,875	604,176,392	154,344,067	449,832,325
2	FLEXOL Packaging (India) Limited	India	INR	1	1		FY 2023-24	7,704,160	28,610,286	48,268,624	11,954,178	51,273,666	15,262,159	8,058,306	7,203,853
3	TVS SCS (Siam) Limited (Formerly known as TVS Logistics Siam Limited)	Thailand	THB	2.29	2.35		FY 2023-24	22,905,169	(81,759,521)	16,996,139	75,850,491	-	(7,219,708)	-	(7,219,708)
4	TVS Logistics Investment UK Limited	UK	GBP	105.29	104.07		FY 2023-24	1,049,165,914	9,619,280,365	16,855,920,340	6,187,474,004	-	3,739,939,372	107,682,257	3,632,257,115
5	TVS Logistics Investments USA Inc.	USA	US\$	83.37	82.7921		FY 2023-24	512,832,859	1,709,081,269	3,867,727,032	1,645,812,965	-	(80,677,442)	(60,412,849)	(20,264,593)
6	TVS America Inc.	USA	US\$	83.37	82.7921		FY 2023-24	91,711,290	(166,811,998)	-	75,100,708	-	(645,448)	-	(645,448)
7	TVS Supply Chain Solutions Pte. Ltd. (Formerly known as TVS-Asianics Supply Chain Solutions Pte. Limited), Singapore and its subsidiaries	Singapore	SGD	61.74	61.57		FY 2023-24	6,991,083,368	(6,067,151,304)	12,128,546,403	11,204,614,402	16,649,690,128	(827,157,253)	78,156,301	(905,313,555)
8	TVS Toyoto Tsusho Supply Chain Solutions Limited	India	INR	1.00	1.00		FY 2023-24	20,000,000	299,600,948	608,131,968	288,531,020	513,769,225	86,722,418	21,172,225	65,550,193
9	White Data Systems Private Limited	India	INR	1.00	1.00		FY 2023-24	41,329,610	169,394,976	235,993,903	25,269,318	54,581,536	(104,095,781)	(34,092,036)	(70,003,745)
10	SPC International (India) Private Limited	India	INR	1.00	1.00		FY 2023-24	5,100,000	147,722,053	198,542,194	45,720,141	224,216,214	32,631,561	9,908,477	22,723,084
11	TVS Packaging Solutions Private Limited	India	INR	1.00	1.00		FY 2023-24	100,000	(618,000)	100,270	618,270	-	(247,200)	-	(247,200)
12	Fit 3PL Warehousing Private Limited	India	INR	1.00	1.00		FY 2023-24	20,000,000	335,130,550	961,210,611	606,080,060	1,444,050,271	46,752,995	11,916,468	34,836,527

Our Company does not hold any shares in the following companies, but however they are subsidiaries under section 87(ii) of the Companies Act, 2013

Sl. no	Name of the Company	Country	Reporting Currency	Exchange rate			Reporting period	Share capital	Reserves	Total Assets	Total Liabilities	Turnover	Profit before taxation	Provision for taxation	Profit after taxation
				Closing	Average										
1	TVS Supply Chain Solutions Limited	UK	GBP	105.29	104.07		FY 2023-24	211	1,561,575,803	9,586,566,222	8,024,990,348	19,367,487,470	864,284,018	244,303,013	619,981,005
2	TVS Supply chain solutions GMBH	UK	GBP	105.29	104.07		FY 2023-24	2,264,548	37,835,480	62,834,342	22,734,315	-	(4,173,042)	(689,247)	(3,483,795)
3	Peter Thomas & Co. (Refurbishing) Limited, UK	UK	GBP	105.29	104.07		FY 2023-24	10,529	68,423,977	433,658,540	365,224,028	565,389,320	73,717,721	10,328,959	63,388,762
4	TVS Logistics Iberia S.L.	Spain	GBP	105.29	104.07		FY 2023-24	18,321,072	257,587,030	1,723,629,036	1,447,720,540	2,493,404,221	(9,823,702)	3,016,905	(12,840,607)
5	TVS Autoserv GmbH	Germany	GBP	105.29	104.07		FY 2023-24	18,321,072	245,352,720	671,321,451	407,647,747	1,056,896,812	34,288,265	10,111,768	24,176,497
6	Rico Logistics Limited and its subsidiaries	UK	GBP	105.29	104.07		FY 2023-24	2,638,118,606	(587,195,463)	10,473,676,881	8,422,753,779	17,793,821,391	(1,641,772,451)	(22,354,865)	(1,619,417,586)
7	TVS Supply Chain Solutions North America Inc. and its subsidiaries (formerly known as Wainwright Industries Inc.)	USA	US\$	83.37	82.7921		FY 2023-24	267,589	2,021,628,089	4,986,163,082	2,964,267,402	7,961,774,065	111,014,674	(35,641,946)	146,656,621

for and on behalf of the board of directors of  
**TVS Supply Chain Solutions Limited**

**R Dinesh**  
Executive Chairman  
DIN: 00363300

**Ravi Viswanathan**  
Managing Director  
DIN: 08713910

**Ravi Prakash Bhagavathula**  
Chief Financial Officer

**P D Krishna Prasad**  
Company Secretary  
Membership No. 9911

Place: Chennai  
Date: May 27, 2024



## Annexure B

### Form – MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**M/s TVS Supply Chain Solutions Limited**  
10, Jawahar Road, Chokkikulam, Madurai- 625002.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TVS Supply Chain Solutions Limited** (hereinafter called “the Company”) during FY24. Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2024, according to the provisions of:

- The Companies Act, 2013 (“Act”) and the rules made there under so far as they are made applicable;
- The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed there under to the extent of the equity shares held in dematerialised form;
- Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment;

- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”): -
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - The Securities and Exchange Board of India (Share Based Employee Benefits and sweat Equity) Regulations, 2021;
  - The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
  - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015;
- As identified, no laws are specifically applicable to the Company

I have also examined compliance with:

- Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) as prescribed under Section 118 (10) of the Act.
- The listing agreements entered into by the Company with Stock Exchange(s);

During the period under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. as mentioned above.

Further, pursuant to BSE Notice No. 20230125-9 dated the January 25, 2023 and NSE Circular No. NSE/

CML/2023/09 dated the January 25, 2023, the Company has complied with the requirement of Structural Digital Database.

I further report that:

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

Adequate notice was given to all directors of the Board/ Committee Meeting(s), agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items for meaningful participation at the meeting(s).

Based on the verification of the records and minutes, the decisions were carried out unanimously at the meeting of the Board of Directors / Committee Members and therefore, there were no dissenting views that were required to be recorded.

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

During the period under review, it has been observed that,

- Allotments of 3,72,04,420 equity shares of ₹ 1 each were made to identified investors on preferential / private placement basis.
- The Company has come out with an Initial Public Offer (“IPO”) cum Offer for Sale (“OFS”) and the equity shares of the Company were listed on BSE Limited (“BSE”) and National Stock Exchange (“NSE”) on August 23, 2023.

- The Board of directors, at their meeting held on February 5, 2024, have granted their consent and approval for the scheme of amalgamation of TVS SCS Global Freight Solutions Limited, FLEXOL Packaging (India) Limited, White Data Systems India Private Limited, SPC International (India) Private Limited (together called “wholly owned subsidiaries”) and Mahogany Logistics Services Private Limited with 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 constituted under the provisions of the Act and such other regulatory authorities, as applicable.
- Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 29, 2023 had appointed Sri. Narayan K Seshadri and Sri. K Ananth Krishnan as Non-Executive - Independent Directors of the Company for a period of 5 years with effect from August 29, 2023, which was approved by the members through Postal Ballot on November 24, 2023. Sri. Mahalingam S, Non-Executive Independent Chairman of the Company, ceased to be Director of the Company, consequent to expiration of his term as Independent Director with effect from August 29, 2023 and Sri. S Ravichandran, Non- Executive Director, resigned from the Board with effect from August 29, 2023.

**K. Venugopalan**

Practicing Company Secretary  
Membership Number: FCS **2526**  
Certificate of Practice Number: **6015**  
UDIN: F002526F000559192

Place: Chennai  
Date: 27.05.2024

This Report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this Report.



### ANNEXURE TO THE SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

To,  
The Members,  
**M/s TVS Supply Chain Solutions Limited**  
10, Jawahar Road, Chokkikulam, Madurai- 625002.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable standards, laws, rules and regulation is the responsibility of management. My examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**K. Venugopalan**  
Company Secretary in Practice  
CP No. **6015**  
FCS No. **2526**  
UDIN no. F002526F000559192

Place: Chennai  
Date: 27.05.2024

## Annexure C

### Form – MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**M/s TVS SCS Global Freight Solutions Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by TVS SCS Global Freight Solutions Limited (hereinafter called “the Company”) during FY24. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under so far as they are made applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under (not applicable to the Company during audit period since the Company is unlisted)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under to the extent of the equity shares held in dematerialised form;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas

Direct Investment; (not applicable to the Company during audit period)

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;(not applicable to the Company during audit period since the Company is unlisted)
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015,(not applicable to the Company during audit period since the Company is unlisted)
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018,(not applicable to the Company during audit period since the Company is unlisted)
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 to the extent applicable; (not applicable to the Company during audit period since the Company is unlisted)
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable to the Company during audit period since the Company is unlisted)
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (not applicable to the Company during audit period since the Company is unlisted)
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during audit period since the Company is unlisted); and



- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable to the Company during audit period since the Company is unlisted);
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations") (not applicable to the Company during audit period since the Company is unlisted);
- (vi) As identified, there are no laws which are specifically applicable to Logistics Industry viz. a viz. to the Company
- I have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) as prescribed under Section 118 (10) of the Act have been complied with.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s) (not applicable to the Company during audit period since the Company is unlisted);

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. (not applicable to the Company during audit period since the Company is a wholly owned subsidiary)

Adequate notice was given to all directors before schedule of the Board/ Committee Meeting(s), agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the

agenda items before the meeting and for meaningful participation at the meeting(s).

Based on the verification of the records and minutes, the decisions were carried out unanimously at the meeting of the Board of Directors / Committee Members and therefore, there were no dissenting views that were required to be recorded.

The Board of directors, at their meeting held on February 2, 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, the Holding Company. 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 constituted under the provisions of the Companies Act, 2013 as the case may be or such other competent authority, as may be applicable or any other appropriate authority under the applicable provisions of the Companies Act, 2013, as may be applicable, and such other approvals / permissions and such other regulatory authorities as may be required under applicable laws, regulations, and guidelines issued by the regulatory authorities as applicable.

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

**K. Venugopalan**  
Company Secretary in Practice  
CP No. **6015**  
FCS No. **2526**  
UDIN no. F002526F000356671

Place: Chennai  
Date: 07.05.2024

## Annexure D

**The information required under Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:**

A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and percentage increase of each Director, CFO and Company Secretary in the FY24:

Name of Director	Designation	Ratio to median remuneration	% Increase in remuneration over last year
Sri. Tarun Khanna	Non-Executive - Independent Director	5	15
Sri. B Sriram	Non-Executive - Independent Director	8	26
Ms. Gauri Kumar	Non-Executive - Independent Director	7	28
Sri. Narayan K Seshadri*	Non-Executive - Independent Director	6	NC
Sri. K Ananth Krishnan*	Non-Executive - Independent Director	5	NC
Ms. Shobhana Ramachandhran	Non-Executive Director	5	7
Sri. Anand Kumar	Non-Executive Director- Nominee	NA	NA
Sri. Ashish Kaushik	Non-Executive Director- Nominee	NA	NA
Sri. S Mahalingam#	Non-Executive - Independent Chairman	2	NC
Sri. S Ravichandran#	Non- Executive Director	2	NC
Sri. R Dinesh	Executive Director - Chairperson	94	(54)
Sri. Ravi Viswanathan	Executive Director - Managing Director	84	(46)
Sri. Raviprakash Bhagavathula	Chief Financial Officer	47	(37)
Sri. P D Krishna Prasad	Company Secretary	16	1

NC is Not Comparable

**Note:**

*Median Remuneration is computed on Cost to Company (CTC) basis.*

*\*Sri. K Ananth Krishnan and Sri. Narayan K Seshadri were appointed as Independent Directors with effect from August 29, 2023.*

*#Sri. Mahalingam S and Sri. S Ravichandran ceased to be directors with effect from August 29, 2023*

*The remuneration excludes perquisite value on any stock compensation plans.*

- B. The median remuneration of employees of the Company for the year 2023-24 is ₹ 3.6 Lakhs.
- C. The percentage increase/(decrease) in median remuneration of employees in the FY24: 4%
- D. The number of permanent employees on the rolls of Company as on March 31, 2024: 3605
- E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Average percentile increase made in the salaries of employees (on basis of Cost to Company) other than the Key Managerial Personnel in the last financial year i.e. 2023-24 was 8%. Change in managerial remuneration (Whole Time Director and other Key Managerial Personnel) is given above.

- F. It is affirmed that the remuneration is as per the remuneration policy of the Company.







12. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5) – Not applicable.
13. TVS SCS has been an early adopter of CSR initiatives and recognised that integrating social, environmental and ethical responsibilities into the governance of businesses would ensure their long-term success, competitiveness and sustainability.

We understand the importance of corporate contributions towards social development and we are committed to fulfilling our responsibilities in this regard. Connecting with community and giving back to society is a way of life for us. Accordingly, the Company on discretionary basis carried out various CSR initiatives during the year under review.

The CSR initiatives are guided under by the core principles of – People, Planet and Progress, which was well aligned with our TVS legacy of giving back to society in many forms.

Further, the Company streamlined its CSR efforts and launched “TVS SCS Cares” – a global CSR Brand which will serve as a brand that unifies all our philanthropic endeavors across all entities under one umbrella. By consolidating our efforts in this way, we aim to reaffirm our unwavering commitment to creating a positive impact and highlight the significant footprint we are leaving across various domains.

As part of CSR Strategy, the Company has further formulated and rolled out its CSR vision and mission for each of its domain areas which are stated as follows:

Principles	Vision	Mission
People	Signifying focus on social well-being	To catalyse progress towards community growth, embark on sustainable journeys towards betterment, and extend care beyond boundaries to profoundly impact lives, we embrace the transformative “Power of Us”.

Principles	Vision	Mission
Planet	Emphasising environmental sustainability	To contribute to a cleaner and greener world that positively impacts the environment, ensuring a healthier and more sustainable planet for generations to come.
Progress	Committed to contributing to Societal advancement	To invest in the capabilities of diverse talents, cultivating change, and providing opportunities for growth

#### Volunteering Programs:

- Program on various volunteering initiatives were successfully implemented, emphasising health and community support. Blood donation camps were organised and employees actively participated in visiting various shelter homes and women’s orphanages. Furthermore, to promote a greener environment, saplings were planted within and around the warehouse campus.
- A breast cancer awareness programme was conducted in association with Rotary Club, where 300+ women at our Hosur warehouse participated.
- Awareness initiatives on health and hygiene for women employees were conducted as special initiatives at our Oragadam and Hosur warehouses.

\*These are volunteering activities which were carried out in India. Globally there have been various volunteering activities.

*Please refer to Environment Social and Governance section in Annual Report for global ESG and CSR initiatives.*

For and on behalf of the Board

Place: Chennai  
Date: May 27, 2024

**Ravi Viswanathan**  
Managing Director  
(DIN: 08713910)

**Gauri Kumar**  
Chairperson - CSR Committee  
(DIN: 01585999)

## Management Discussion and Analysis

### Macroeconomic outlook

#### Global economy

The global economic landscape exhibited stronger-than-expected growth in the second half of 2023, particularly in significant economies like the United States and several emerging market and developing economies. Factors contributing to this growth included government and private spending, real disposable income gains supporting consumption and supply-side expansion marked by increased labour force participation and resolution of supply chain issues. Inflation showed signs of moderating through the course of the year supporting recovery and growth and paving the way for a soft landing of the global economy.

Economic activity showcased resilience in the face of global challenges such as the war in Ukraine, high energy prices and the volatile situation in the Middle East.

According to the IMF World Economic Outlook, the baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. Advanced economies are poised for an uptick in growth in 2024 and in 2025, with the eurozone expected to rebound from sluggish performance. Emerging markets and developing economies are forecasted to experience steady growth, although regional disparities may persist. Concerted efforts to manage inflation and fiscal policies are crucial for sustaining economic stability and fostering long-term growth. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually.

With expectations of inflation easing towards target levels, the timing of central banks pivoting towards policy easing in major economies remains a key monitorable in the near term.

Summary of world output (Annual percent change)	2023	2024 (projections)
World output	3.2	3.2
India	7.8	6.8
China	5.2	4.6

Summary of world output (Annual percent change)	2023	2024 (projections)
Emerging market and developing economies overall	4.3	4.2
Advanced economies	1.6	1.7
- US	2.5	2.7
- Euro Area	0.4	0.8

Source - IMF World Economic Outlook, April 2024

In the context of upcoming elections in numerous countries, moves to raise barriers to the international flow of workers could reverse the supply-side gains of recent years, exacerbate labor market tightness and skill shortages, and raise inflationary pressures.

#### Indian economy

The Indian economy was a definite bright spot in the global economy demonstrating a robust growth of 8.2% in FY24 that surpassed the previous year FY23 growth rate of 7.0%. Strong domestic demand, proactive government policies and growth trends across critical sectors drove this growth.

The construction sector experienced a double-digit growth rate of 10.7%, contributing to the overall GDP expansion. The manufacturing sector, a vital component of the industrial index, performed well, registering a growth rate of 8.5%. The agriculture sector grew 0.7% overcoming challenges due to erratic monsoons. Government interventions and support measures are expected to stabilise this sector in the coming fiscal year. The services sector, including trade, hotels, transport, and financial services, grew robustly, with significant contributions to GDP growth.

According to consumer price index (CPI) data, retail inflation eased to 5.1% in February 2024. This moderation in inflation rates indicates stable price levels and conducive conditions for sustained economic growth.

Continued structural reforms and initiatives such as the Production Linked Incentive (PLI) scheme have boosted manufacturing and exports, further supporting economic growth. The PLI scheme incentivises companies to enhance domestic manufacturing by offering financial incentives for incremental production.

The fiscal deficit for FY24 was 5.6% of GDP, lower than the government’s previous estimate of 5.8%. The government’s focus on rationalising expenditure and boosting revenue through reforms has played a



crucial role in achieving this target. India's economic outlook remains optimistic as it continues to showcase resilience and promise amidst global economic challenges. India's GDP growth will likely maintain its momentum, with projections indicating a growth rate of 7.2% for FY 2024-25, per the Reserve Bank of India (RBI).

India's service exports showed resilience despite global economic headwinds. Non-petroleum & non-Gems & jewellery exports increase by 1.45% from \$315.64 Billion in FY 2022-23 to \$320.21 Billion in FY 2023-24

Indicators such as rising air passenger traffic, increased sales of passenger vehicles, rising digital payments, improved consumer confidence and expectations of a normal monsoon all point towards a strengthening domestic demand. The uptick in demand for residential properties in Tier-II and Tier-III cities bodes well for the construction sector, furthering the economy's growth. Additionally, the manufacturing sector is poised for growth, with expectations of enterprise upscaling and the emergence of sunrise sectors driving quality employment opportunities. Moreover, there is growing confidence among global investors in India, as reflected in foreign portfolio investment flows.

In summary, with favourable economic indicators, expected policy stability post the general election in India and sustained efforts, India is poised to maintain its growth trajectory and solidify its position as one of the top economies in the world.

### Global logistics industry overview

Structural shifts in the industry have been making supply chains increasingly complex, which has necessitated an increasing reliance on technology to ensure high service levels. Moreover, trade issues and the COVID-19 pandemic have made organisations realise the complexity in supply chains further and as result, there is an increasing trend towards end-to-end outsourcing and organisations are looking forward to engaging supply chain companies to not only manage their supply chain and logistics requirements but also offer additional specialised services.

The global logistics market presents a large opportunity, with spends on logistics of \$11.4 Trillion in 2021 and projected to grow to \$13.6 Trillion by 2026. Increases in supply chain complexity continue to drive companies to engage the help of third-party logistics providers as logistics and regulatory specialists. In turn, third-party logistics providers offering warehousing, integrated transportation and distribution along with required tech infrastructure are providing economies with the operational 'backbone' supporting global trade. In addition, the COVID-19 pandemic made companies further realise the complexity in supply chains, and as a result, the demand for end-to-end

outsourcing continues to rise and organisations are increasingly open to engaging third-party logistics providers to manage their logistics and supply chain requirements.

The global supply chain industry is evolving, with customers requiring faster speed-to-market, end-to-end visibility across multi-modal supply chains, flexibility and dynamic optimisation. Within the overall supply chain services market, the integrated supply chain services segment is an evolving segment requiring bespoke supply chain solutions, which are designed to solve various structural challenges such as:

- improving real-time visibility and control of key supply chain metrics;
- managing operations across multiple demand channels;
- enhancing asset utilisation through sharing infrastructure and operational capacity to reduce overall supply chain costs;
- reducing cost of inventory through optimal sourcing; and
- creating new operational processes in response to changing customer and market needs.

The demand for these complex integrated solutions is driving enterprises to increasingly seek a single or smaller set of more strategic third party logistic solutions(3PLs).

### United Kingdom

The UK 3PL market size is estimated at \$34.3 Billion in 2024. Looking forward, the market is expected to reach \$37.2 Billion by 2026, exhibiting a growth rate (CAGR) of 4.2% during 2024-2026. The rapid expansion of trade agreements and international business relationships, the escalating demand for efficient transportation and delivery services and the growing investments in warehousing, last-mile delivery, and fulfillment centers are among the key factors driving the market growth.

This interconnectedness necessitates a more robust and agile logistics network capable of handling the increasing complexity of international shipments, compliance with various regulations, and different trade policies. Along with this, the growth of urban areas in the UK has led to increased demand for efficient transportation and delivery services. Simultaneously, investments in infrastructure development such as roads, ports, and airports facilitate smoother logistics operations, contributing to the industry's growth. In addition, the accelerating shift in expectations pressuring logistics providers to innovate and invest in new strategies and technologies to meet these demands is driving growth. Apart from this, the pandemic further accelerated the e-commerce trend, pushing more consumers online and creating

an urgent need for robust logistics solutions. As a result, investments in warehousing, last-mile delivery, and fulfillment centers have increased. Moreover, the emergence of innovative business models, such as shared logistics platforms and on-demand delivery services is creating a positive market outlook.

### Asia Pacific

Transport and logistics output in the Asia-Pacific region is forecast to increase 6.3% in 2024, compared to 4.0% worldwide. With the exception of Australia and Singapore, all regional main markets show robust increases of more than 5%. Transportation and logistics in India is expected to increase 8.9% in 2024 and 7.5% in 2025, benefiting from ongoing improvements in infrastructure and transport networks. Sector growth in China should amount to more than 6% annually in 2024 and 2025, driven by the goods freight segment and government support for businesses and infrastructure investment. Japan's transport sector is set to grow 6.2% this year, significantly above the long-run average. Increasing automation results in higher demand for transportation and logistics services.

### North America

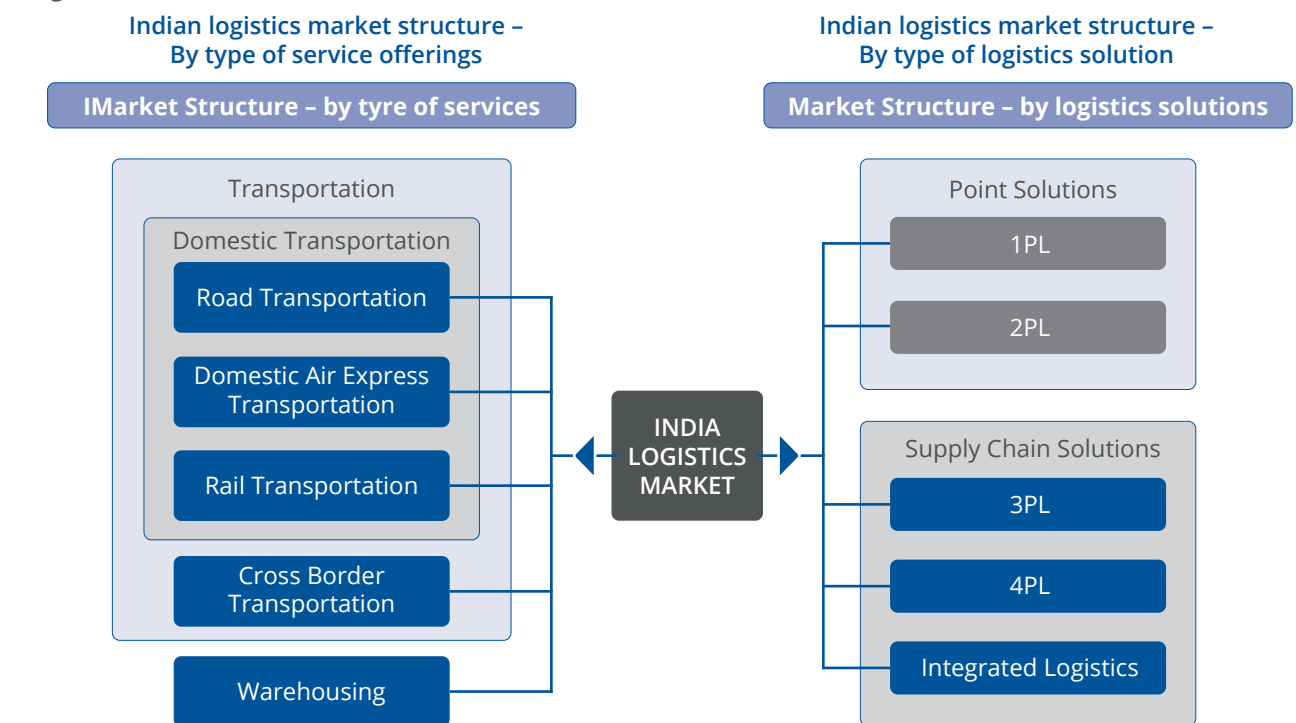
The North America 3PL market size is estimated at \$395 Billion in 2024 as third party logistics providers saw transportation and warehousing rates and volumes increase with the surge in demand. Looking forward, 3PL is expected to grow at a CAGR of 7.2% from 2024 levels through 2026 (estimated) where it is estimated to reach \$452 Billion in 2026. The growing international trade, expanding e-commerce sector, numerous technological advancements in the logistics industry, and changing consumer preferences toward quick delivery services are some of the major factors propelling the market.

### India logistics industry overview

Indian logistics sector is one of the largest in the world and presents large addressable opportunity. The sector is critical for the economic growth of the country as it connects various elements of the economy and consists of transportation, warehousing and other supply-chain solutions ranging from the suppliers to the end-customers.

### Structure of Indian logistics market

India logistics market can be segmented in two different types of market structures: (1) type of services and (2) logistics solutions.



Source(s): Redseer Research, Redseer Analysis

### Key factors driving growth in Indian logistics

The Indian logistics market has been highly fragmented and has experienced rapid growth in the organised

market in recent years. The Indian logistics market is expected to grow to approximately \$385 Billion by Fiscal 2027 at a CAGR of 13% from Fiscal 2022 to Fiscal 2027 due to technological advancement. The significant



expansion in the e-commerce and online retail industry and the implementation of favourable government policies encouraging the adoption of logistics services heralds a transformative era for the logistics sector in India. However, the outsourcing as a concept is still nascent in the market. With the industry being price conscious, the integration of cutting-edge technologies and advancements in automation, warehousing, and transportation solutioning shall be cost-effective and the solutioning should have sufficient exit barriers to discourage customer churns.

The growing population, rising disposable income, and increasing online shopping activities are influencing market growth. Additionally, the emergence of specialised e-commerce logistics services led to the establishment of dedicated distribution centres and fulfilment hubs strategically positioned to accommodate the influx of online orders, thus contributing to the market growth. It uses advanced automation technologies, such as robotic sorting systems and AI-powered inventory management, to optimise warehousing processes and ensure speedy order processing. Moreover, the e-commerce industry invests in technology-driven logistics solutions, representing another major growth-inducing factor. Along with this, real-time tracking of shipments, automated warehouses that can autonomously manage inventory, and advanced route optimisation algorithms are integral to logistics operations, thus propelling market growth. These innovations enhance operational efficiency and reduce delivery times, enhancing customer satisfaction and loyalty.

Implementing favourable policies such as Make in India and Digital India creates an environment conducive to logistics advancements, thus influencing market growth. The Union Budget for FY24 outlined crucial initiatives to drive economic growth and development. Significant allocations were made towards capital expenditure, focusing on infrastructure development, healthcare, education, and rural development. The extension of the production-linked incentive (PLI) scheme to various sectors, coupled with investments in infrastructure projects, is expected to stimulate investment, boost manufacturing, and create employment opportunities.

In parallel, multiple GoI policies and reforms are implemented for the growth of manufacturing in India thereby driving robust growth for the logistics sector:

- **National Logistics Policy:** The goal of the National Logistics Policy is to enhance India's economic growth by making the logistics sector more seamless and integrated. It aims to create a single-window e-logistics market and make MSMEs more competitive. It will also drive down logistics costs as a percentage of the GDP.
- **Production-linked incentive scheme:** This scheme is a significant initiative by the Indian Government

with an outlay of about ₹2,825 Billion in subsidies and incentives. The maximum outlay is for semiconductor, automobile and electronic systems manufacturing industries. This scheme intends to create national manufacturing leaders and generate employment opportunities.

- **Amendment of Central Motor Vehicle Rules, 1989:** The Ministry of Road, Transportation and Highways amended Rule 93 of Central Motor Vehicle Rules, 1989 to increase allowances in the height, axle length, and decoupling of N-category vehicles. The initiative has increased truck carrying capacity and accentuated profit margins for road logistics overall.
- **Drone policy:** The drone policy intends to improve the ease of business by simplifying and relaxing the certification, authorisation, and permit process. This policy makes it easier for companies to own and use drones.
- **Make in India:** The Indian Government launched the Make in India campaign in 2014 to showcase India as a global design and manufacturing hub. The campaign focuses on 25 sectors, including technology, construction, and biotechnology. The initiative aims to increase the manufacturing sector's annual growth rate to 12%-14%. This initiative also aims to promote domestic manufacturing of products and infrastructure by providing dedicated investments. It aims to increase domestic manufacturing, resulting in higher demand for freight movement and the need for supply chain solutions.
- **Bharat Stage VI:** Bharat Stage VI emission norms are standards set by the Indian Government that have been effective since April 2020 and phase 2 being effective since April 2023. The norms aim to reduce pollutant emissions from and motor vehicles and improve efficiency.
- **Dedicated freight corridors:** The project involves two freight corridors: the Western Dedicated Freight Corridor (1,506 route kilometres long) and the Eastern Dedicated Freight Corridor (1,337 route kilometres long). 95% of route commissioning across the western dedicated freight corridor is through, and work on some 110 km route in the western arm - which is around 5% of the total project - remains to be completed. On the other hand, the entire 1,337 km Eastern Dedicated Freight Corridor (EDFC) is operational. The dedicated freight corridors aim to reduce overall logistics costs, improve the average speeds of freight trains, increase the freight carried per trip and link ports for faster freight movement.
- **Logistics Efficiency Enhancement Programme:** This programme aims to improve freight transportation efficiency, associated costs, transportation times, and logistical practices like goods transferring and tracking through infrastructure technology and

process interventions. FAME is gearing up for its third edition with a significant outlay of approximately ₹ 10,000 crore.

- **Faster Adoption and Manufacturing of Electric Vehicles (FAME II):** This is a subsidy scheme by the Indian Government promoting the deployment of electric vehicles and reducing total carbon emission contribution by road transportation. FAME is gearing up for its third edition with a significant outlay of approximately ₹ 10,000 crore.
- **Gati Shakti - National Master Plan:** This comprehensive and efficient policy aspires to eliminate red tape by centralising different ministries with higher cross-sector interaction. It also aims to achieve optimisation by identifying critical gaps and synchronising activities from different departments to reduce silos. By integrating analytical and dynamic data with spatial planning and analytical tools, the policy seeks to increase the ability to visualise, review and monitor.

## Performance of Our Business Segments

### Integrated Supply Chain Solutions

In FY24, our Integrated Supply Chain Solutions business continued on the path of consistent growth with the business expanding across all key geographies: India, UK, Europe and North America. Growth was driven by both new business development and expansion in existing customer engagements supported by strong execution. We have successfully acquired new large customers across key geographies. We won important recognitions in this segment including being

awarded 'Partner' status by John Deere, one of our key customers. Operational excellence and leveraging digital initiatives, we have achieved significant efficiencies in the segment.

### Network Solutions

In the NS segment, the performance of the Global Freight Forwarding Solutions division has been impacted by the post-COVID19 normalising freight rates. Performance in the first three quarters was particularly impacted by these macro trends and rates stabilised by Q4. However, the developments in the Red Sea did cause a spike in ocean freight rates showed a spike towards the end of December, and we are closely monitoring the situation. Ocean freight rates in the Q4 of FY24 were nearly at the bottom end of the curve, with year-term rate outlook being positive. On a full-year basis, freight volumes, however, reflected the global industry trend and were weak across all our trade lanes.

The Integrated Final Mile division of the NS segment saw steady revenue growth on a quarter-on- quarter basis. The segment, however, faced margin pressure due to extraordinary inflation levels, mainly in the UK and Europe, which have started easing now. In IFM, we are currently implementing pricing revisions with our customers and executing operational efficiency initiatives aimed at margin improvement.

We have taken strong cost control measures and driven procurement efficiencies across the NS segment. The positive impact of these initiatives is expected to become more pronounced in the coming quarters.

### Key Operational Indicators

A summary of our key operational indicators is provided below:

	FY23-24	FY22-23
Infrastructure (square feet)/ logistics warehouse space	25,475,171	27,031,057
TEU of Sea Freight	83,504	107,278
Permanent Employees	17,055	17,640
Number of customers	6,909	8,360
Number of warehouses	459	509

### Consolidated Financial Performance

Analysis of our financial performance for the current and previous financial year is provided below:

Amounts in INR Crores	FY23-24	FY22-23
Revenue from Operations	9,199.98	9,994.38
Other income	54.85	75.63
<b>Total income</b>	<b>9,254.83</b>	<b>10,070.01</b>
Freight, clearing, forwarding and handling charges	2,327.79	3,732.88
Sub-contracting costs and casual labour charges	1,471.55	1,430.59
-Cost of materials consumed	12.21	11.43
-Purchase of stock-in-trade	1,683.94	1,412.32



Amounts in INR Crores	FY23-24	FY22-23
-Changes in inventory of stock-in-trade	(34.80)	(40.34)
<b>Material &amp; related costs</b>	<b>1,661.35</b>	<b>1,383.41</b>
Impairment losses on financial instrument	(1.70)	41.93
Employee benefits expense	2,243.25	2,010.62
Finance costs	202.71	185.08
Depreciation and amortisation expense	556.72	501.55
Other expenses	807.11	732.78
<b>Total expenses</b>	<b>9,268.78</b>	<b>10,018.84</b>
Share of profit from investments	<b>4.29</b>	<b>4.78</b>
<b>Profit / (loss) before tax from continuing operations</b>	<b>(9.66)</b>	<b>55.95</b>
Exceptional items – gain/ (loss)	(26.41)	(10.00)
Tax expense	21.65	(1.70)
<b>Profit / (loss) from continuing operations</b>	<b>(57.72)</b>	<b>47.65</b>
Profit / (loss) before tax from discontinued operations	<b>(32.77)</b>	<b>(5.89)</b>
Tax expense	-	-
<b>Profit / (loss) from discontinued operations</b>	<b>(32.77)</b>	<b>(5.89)</b>
<b>Restated profit/ (loss) for the year</b>	<b>(90.49)</b>	<b>41.76</b>

### Revenue: Business Segment and Geographical split

The following is a table with a breakdown of our consolidated revenue from operations, across our business segments:

Amounts in INR Crores	FY23-24		FY22-23	
	Amount	% share	Amount	% share
Integrated Supply Chain Solutions	5,239.96	57%	4,580.63	46%
Network Solutions	3,960.02	43%	5,413.75	54%
<b>Revenue from Operations</b>	<b>9,199.98</b>	<b>100.00%</b>	<b>9,994.38</b>	<b>100.00%</b>

Integrated Supply Chain Solutions segment revenues grew 14.39% from ₹ 4,580.63 Crores in FY22-23 to ₹ 5,239.96 Crores in FY23-24 driven by volume growth in existing customer engagements and revenues from new business development. Network Solutions segment revenues were impacted by YoY decline in average freight rates and a fall in freight volume as a result of which revenues declined 26.85% from ₹ 5,413.75 Crores in FY22-23 to ₹ 3,960.02 Crores in FY23-24. Decline in the Network Solutions segment revenue impacted consolidated Revenue from operations which decreased by 7.95% from ₹ 9,994.38 Crores in FY22-23 to ₹ 9,199.98 Crores in FY23-24

The following table provides a breakdown of our consolidated revenue from operations, across our geographic segments:

Amounts in INR Crores	FY23-24		FY22-23	
	Amount	% share	Amount	% share
India	2,711.00	29%	3,026.71	30%
Rest of the World	6,488.98	71%	6,967.67	70%
<b>Revenue from Operations</b>	<b>9,199.98</b>	<b>100%</b>	<b>9,994.38</b>	<b>100%</b>

Lower freight rates and sluggish volume in the NS segment impacted revenues in both India and Rest of the World. Revenue from India geography declined 10.43% from ₹ 3,026.71 Crores in FY22-23 to ₹ 2,711 Crores in FY23-24 where growth in ISCS revenues were offset by decline in freight income. Similarly, revenue from Rest of the World declined 6.87% from ₹ 6,967.67 Crores in FY22-23 to ₹ 6,488.98 Crores in FY23-24.

Other income declined 27.48% from ₹ 75.63 Crores in FY22-23 to ₹ 54.85 Crores in FY23-24. And total income

declined 8.10% from ₹ 10,070.01 Crores in FY22-23 to ₹ 9,254.83 Crores in FY23-24.

### Operating Expenses

We continue to focus on operational efficiencies and cost management with the aim of improving our profitability margins. The key components of our operational expenses include:

Material related expenses increased by 20.09% from ₹ 1,383.41 Crores in FY22-23 to ₹ 1,661.35 Crores in

FY23-24 driven by new business wins in Europe in the beverage sector and North America in the farm equipment manufacturing sector

Employee benefits expense increased by 11.57% from ₹ 2,010.62 Crores in FY22-23 to ₹ 2,243.26 Crores in FY23-24 on account of ramp-up in customer engagement in the ISCS Segment, requiring manpower

deployment, particularly large transformational contracts in the UK .

Other expenses increased by 10.14% from ₹ 732.78 Crores in FY22-23 to ₹ 807.11 Crores in FY23-24 driven by cost inflation in fuel and short-term rentals, repairs and maintenance and exchange losses on intra-group loans on account of currency fluctuations

### Adjusted EBITDA

EBITDA is calculated as the sum of profit / (loss) for the year from continuing operations, total tax expenses, finance costs, depreciation and amortisation expense reduced by exceptional items, share of profit from investments accounted for using the equity method (net of income tax) and Other income. Adjusted EBITDA is calculated as the sum of EBITDA, share based payments and loss on foreign currency transactions and translations.

Amounts in INR Crores	FY23-24	FY22-23
Restated profit / (loss) for the year from continuing operations before tax	(36.07)	45.95
Add: Finance costs	202.71	185.08
Add: Depreciation and amortisation expense	556.72	501.55
Less: Exceptional items – gain/ (loss)	26.41	10.00
Less: Share of profit of equity accounted investees	(4.29)	(4.78)
Less: Other Income	(54.85)	(75.63)
<b>EBITDA</b>	<b>690.63</b>	<b>662.17</b>
Add: Share based payments	3.35	21.96
Add: Loss on foreign currency transactions and translations	16.16	0.99
<b>Adjusted EBITDA</b>	<b>710.14</b>	<b>685.12</b>

On a full-year basis, our consolidated revenues were down by ₹ 794.40 Crores, a reflection of the difficult macro environment in the freight forwarding industry and sluggish volumes in global trade. We grew our EBITDA, however, by ₹ 25.02 crores in spite of this significant reduction in the revenues driven by the strong performance of the ISCS segment and ongoing initiatives to enhance the efficiency of the NS segment. On a full-year basis, revenues were down by 7.9% year-on-year, while adjusted EBITDA improved by 80 bps.

### Other Costs

Depreciation & Amortisation increased by 11.0% from ₹ 501.55 Crores in FY22-23 to ₹ 556.72 Crores in FY23-24 driven by depreciation from right of use assets arising from additional warehouse leases in the GFS and ISCS business.

Finance Costs increased 9.5% from ₹ 185.08 Crores in FY22-23 to ₹ 202.72 Crores in FY23-24 mainly on account steep increase in benchmark interest rates in the H1 of FY24 offsetting the interest reduction in H2 driven by reduction in total borrowings. The increase is also partly as a result of incremental interest cost from additional leases accounted under Ind AS 116.

We had an exceptional items – loss of ₹ 26.41 Crores in FY23-24 on account of loss on issue of CCPS (₹ 23.17

crores), loss on deconsolidation and sale of step down subsidiary (₹ 38.53 crores) partially offset by gain on stake dilution in joint venture (₹ 35.29 crores) compared to ₹ 10 Crore loss in FY22-23 which was on account of IPO costs charged off that relate to certain expenditure incurred towards the previous draft red herring prospectus filed with SEBI in connection with the proposed initial public offering of our Company.

### Capital expenditure

We operate as an asset-light business wherein our warehouses and vehicles are operated through leases with our network partners. While we do not have ownership of these assets, we have control over the capacity and fleet, and the scheduling, routing, storing, and delivery of goods are managed by us. Our capital expenditures in: (i) ISCS segment is primarily for customers in warehousing and material handling segments of the business; and (ii) NS segment is primarily for intangible assets such as computer software and others.

During FY23-24, we capitalised ₹ 69.66 Crores of property, plant and equipment and intangible assets, net of disposals. Capital work in progress was ₹ 2.86 Crores and intangible assets under development were ₹ 9.04 Crores as at end of the financial year.



## Other key balance sheet items

### Borrowings

Total borrowings on a consolidated basis, comprising of current and non-current borrowings decreased by 53.22 % from ₹ 1,697.31 Crores(excluding compulsorily convertible Preference shares of ₹ 292.30 Crores) as on March 31, 2023 to ₹ 793.94 Crores as on March 31, 2024. The reduction in borrowings was driven by utilisation of proceeds from the capital raised during the IPO process, Pre-IPO capital and Company's initial public offering in line with objects of the offer.

### Inventories

Inventories increased by 12.03% from ₹ 345.06 Crores as of March 31, 2023 to ₹ 386.57 Crores as of March 31, 2024 in the ordinary course of business and mainly driven by new business wins in Europe in the beverage sector and North America in the Heavy Equipment manufacturing sector.

### Trade Receivables

Net trade receivables increased by 14.18% from ₹ 1,234.25 Crores as of March 31, 2023 to ₹ 1,409.23 Crores as of March 31, 2024 in line with the growth of business and mainly due to various high-cost non-recourse receivable factoring in Fiscal 2023 which is normalised in Fiscal 2024.

### Trade Payables

Trade payables decreased by 4.14% from ₹ 1,427.32 Crores as of March 31, 2023 to ₹ 1,368.22 Crores as of March 31, 2024 in the ordinary course of business.

### Goodwill

Goodwill reduced by 3.28% from ₹ 608.42Crores as of March 31, 2023 to ₹ 588.47 Crores as of March 31, 2024 primarily due to impairment amounting to ₹ 21.57

## Key performance indicators and key financial ratios

### Key performance indicators

Particulars	FY23-24	FY22-23
Growth Rate of Revenue from Operations (%)	-7.95%	8.05%
EBITDA Margin (%)	7.51%	6.63%
EBITDA Growth Rate (%)	4.30%	8.10%
Adjusted EBITDA Margin (%)	7.72%	6.86%
Adjusted EBITDA Growth Rate (%)	3.65%	2.70%
PBT Margin (%)	-0.11%	0.56%
PBT Growth Rate (%)	-117.27%	21.01%
Profit / (Loss) Margin for the year (%)	-0.63%	0.48%
Profit/ (Loss) Growth Rate for the year (%)	-221.13%	202.52%
ROCE (%)	4.75%	6.19%
ROE (%)	-1.70%	5.48%
RoIC Pre-Tax	3.88%	5.53%
RoIC Post-Tax	3.26%	5.59%

Crores consequent to sale of step-down subsidiary "Circle Express Limited, UK" (Circle Express)

### Right of use asset

Right-of-use asset increased by 6.48% from ₹ 1,113.63 Crores as of 31 Mar, 2023 to ₹ 1,185.76 Crores as of 31 Mar, 2024 primarily due to new long-term leases (typically warehouses, office premises and material handling equipment) resulting in additions to right-of-use asset of ₹ 555.06 Crores, which was offset by reversals on account of termination/ closure of similar long-term leases including reversal on sale of Circle Express amounting to ₹ 71.76 Crores, depreciation of right-of-use asset of ₹ 422.67 Crores and exchange differences on translation of foreign operations of ₹ 11.50 Crores.

### Lease Liability

Lease liability (current and non-current) increased by 5.30% from ₹ 1,334.37 Crores as of March 31, 2023 to ₹ 1,405.08 Crores as of March 31, 2024 primarily due to additions to lease liability of ₹ 546.10 Crores, accretion of interest of ₹ 87.25 Crores which was offset by payments of lease liability of ₹ 486.88 Crores, reversal of lease liability including reversal on sale of subsidiary of ₹ 94 Crores and exchange differences on translation of foreign operations of ₹ 18.24 Crores.

### Other Financial Liabilities

Other financial liabilities decreased drastically by 65.01% from ₹ 262.07 Crores as of March 31, 2023 to ₹ 91.71 Crores of March 31, 2024 primarily due to settlement of balance deferred consideration towards acquisition of minority shares in the step-down subsidiary of ₹ 54.31 Crores, settlement of amount payable towards factoring of ₹ 96.35 Crores consequent to normalisation of high-cost non-recourse receivable factoring in FY24.

## Key financial ratios

In compliance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the key financial ratios of the Group have been provided hereunder along with the explanation only for the significant changes, i.e., change of 25% or more as compared to the previous financial year

Particulars	FY23-24	FY22-23
PBT Margin (%) (refer note i below)	-0.11%	0.56%
Profit / (Loss) Margin for the year (%) (refer note i below)	-0.63%	0.48%
Debtor's Turnover	57.41	58.57
Inventory Turnover	15.34	12.60
Interest Coverage Ratio (refer note ii below)	0.58	0.99
Current Ratio	1.09	0.91
Debt Equity Ratio (refer note iii below)	0.43	1.61

- (i) PBT and PAT margins are negative mainly on account of drop in NS segment and increase in costs including operating expenses, employee benefits expenses, interest costs and depreciation as explained in the financial performance discussion.
- (ii) The interest coverage ratio has dropped from 0.99 to 0.58 on account steep increase in benchmark interest rates in the H1 of FY24 offsetting the interest reduction in H2 driven by reduction in total borrowings.
- (iii) Debt equity ratio has dropped from 1.61 times to 0.43 times in FY24 consequent to reduction in borrowings driven by utilisation of proceeds from the capital raised during the IPO process, Pre-IPO capital and Company's initial public offering in line with objects of the offer and also on account of resultant increase in the net-worth of the Group.

supply chain related investments), overall logistics spending, changes in interest rates, fuel and power prices, quantum of global trade, movement in ocean and air freight rates, government policies and other developments that affect consumption and business activities in general.

Our performance may decline during recessionary periods or in other periods where one or more macro-economic factors, or potential macro-economic factors, negatively affect the level of consumer and business confidence and consumption or the performance of our customers. For example, our operations and the demand for our services were adversely impacted by certain macro-economic developments including the multi-sector slowdown in India that resulted in weak economic performance and decrease in demand, a strike by the workers at one of our key customers in the United States and the slowdown of global freight forwarding industry on account of decrease in global trade and red sea situation. Moreover, the decline in global ocean and air freight rates in Fiscal 2023 and 2024 also had an impact on our financial performance.

## Key risks faced by the industry and our business

As a global company operating across multiple geographies we face several risks that could impact our business in various ways. This could in turn affect our ability to create value for all our stakeholders. The management team is committed to recognising these risks (both internal and external) and continue to implement actions that can proactively handle these risks mitigating potential impact to our business.

### The key risks the Company is exposed to are:

#### Macroeconomic risks

Our growth and results of operations and financial condition are significantly affected by end-consumer demand for products manufactured or sold or services provided by our customers which in turn is linked to macro factors driving India and the global economy. These factors include levels of per capita disposable income, Business investment (specifically

#### Customer concentration risk:

We derive a portion of our revenue from certain key customers, and accordingly, a material percentage of our future revenues will be dependent upon the successful continuation of our relationships with these customers or finding customers of similar size and scope.

The loss of any of our key customers, due to our inability to renew our contracts with them or a decision by any one of them to reduce the services we provide to them would result in a decline in our revenues.

#### Technology risks:

Our business could be affected if we fail to implement and maintain our technology systems or fail to upgrade or replace our technology systems to meet the demands of our clients and protect against system



failures. Some of our existing technologies and processes in the business may become obsolete or perform less efficiently compared to newer and better technologies and processes in the future. The logistics industry could also experience unexpected disruptions from technology-based start-ups. Moreover, the implementation of technology can typically entail a significant amount of capital expenditure, including in relation to maintenance when needed, which may have an effect on our cash flow until we are able to realise the benefits of its implementation in terms of increased volumes and cost efficiency. Additionally, technology is susceptible to outages and technical snags, which may disrupt our workflow and affect our revenues.

#### Foreign exchange risk

We derive majority of our revenue from our services provided to customers located in Europe, United Kingdom, North America and Asia-Pacific. Our revenue from operations from rest of the world as a percentage of our revenue from operations on a consolidated basis stands at 71% and 70% in Fiscal 2024 and 2023 respectively.

We are exposed to foreign currency risks that arise from our business transactions that are denominated in foreign currencies. The depreciation of the Indian Rupee against foreign currency (primarily US\$, GBP, Euro, SGD and AUD), will generally have a positive effect on our reported revenues and operating income, while the appreciation of Indian Rupee against foreign currency will generally have a negative effect on our reported revenues and operating income. In addition, a significant portion of our working capital debt is denominated in GBP and SGD.

#### Inflation risk:

Our operations largely depend on air, sea, rail and road transport. As a result, transportation costs form a significant part of our operating costs. Any increase of costs stemming from air or ocean capacity constraints as witnessed during the recent COVID-19 pandemic commodity price fluctuations, red sea situations etc. in particular fluctuating fuel prices (kerosene, diesel and marine diesel), which cannot be passed on to customers through operating measures (fuel surcharges) or rent increases, may have an impact on our revenues, business, results of operations, financial condition and cash flows.

#### Working capital risk:

Our business requires a significant amount of working capital which is based on certain assumptions, and accordingly, any change of such assumptions would result in changes to our working capital requirements. Further, our working capital requirements have been increasing with the growth of our operations. While

we have not faced any instances of material losses or adverse impacts on our business and operations due to failure to raise additional financing or resources, there can be no assurance that we will always be able to raise resources to meet our working capital requirements on commercially acceptable terms and in a timely manner or at all in the future, which may adversely impact our business operations and future growth plans.

#### Internal controls

TVS SCS is committed to ensuring effective internal control systems commensurate with the size and the complexity of our business. We have established adequate and effective internal controls to achieve its compliance and reporting objectives. These controls are deployed through various policies and procedures and are periodically revisited to ensure they are in line with changes to our business environment. Our Audit Committee, composed of Independent and Non-Executive Directors, regularly reviews significant audit findings, adequacy of internal controls, audit plans, reasons for changes in accounting policies and practices, if any, and monitors the implementation of audit recommendations.

Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. Our internal control system is supplemented by an internal audit carried out by KPMG, a third-party internal audit firm. We ensure that preventive and detective controls are embedded in all the business processes. Significant audit observations and follow-up actions thereon are reported to the Audit Committee.

Further, the Directors' Report and Corporate Governance Report sections contain comprehensive details pertaining to corporate governance and statutory compliances.

#### Human Resources Management

At TVS Supply Chain Solutions, people are central to our business. We continued to focus people related priority and undertook several initiatives through the year. These initiatives spanned multiple dimensions such as leadership, employee training & skill enhancement, employee welfare, building high performance culture etc. Our global employee headcount as of March 24 was 17,055.

During the year, TVS SCS was ranked #7 among the Top 10 future-ready workplaces in India by the prestigious Fortune India magazine. This accolade is a testament to the ongoing HR developmental work on employee engagement, satisfaction, learning and shaping our culture.

#### VIBE: Employee Survey Insights

The VIBE survey, continues to be an essential tool for understanding employee perspectives across our organisation. This annual global employee engagement survey spans all eight entities under TVS SCS, covering over 18,000 employees in 26 countries and offered in 18 languages.

#### Survey highlights:

- **Participation Rate:** Reached a record high of 93%, up from 88% last year.
- **Overall Satisfaction:** Increased from 90% to 94%, indicating growing employee contentment.
- **Customer Service:** This dimension has consistently received the highest scores across all nine years of the survey.

These results underscore our commitment to fostering a supportive and engaging work environment, reflecting positively on employee satisfaction and

organisational growth. Based on the analysis of results of the previous Vibe survey, a 25 people initiatives were launched. without of these, 15 initiatives were completed and the 10 are ongoing. For more details, please refer to pg 34.

#### Cautionary statement

Statements in this 'Management Discussion and Analysis' and this Annual Report describing our vision, projections, estimates, expectations, plans or predictions or industry conditions or events may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results, performance or achievements could differ materially from those expressed or implied. Several factors could make a significant difference to the Company's operations. These include economic conditions affecting demand and supply, government regulations and taxation, natural calamities, pandemics etc. over which the Company does not have any direct control.



## Corporate Governance Report

(As required by Schedule (V) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Board of Directors ("the Board") of TVS Supply Chain Solutions Limited ("TVS SCS"/ "Company"), present the Company's Report on Corporate Governance for the financial year 2023-24 (addressed as "FY24" or "during the year"). This Report sets out your Company's corporate governance processes and activities for FY24 with reference to the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

### A. MANDATORY REQUIREMENTS:

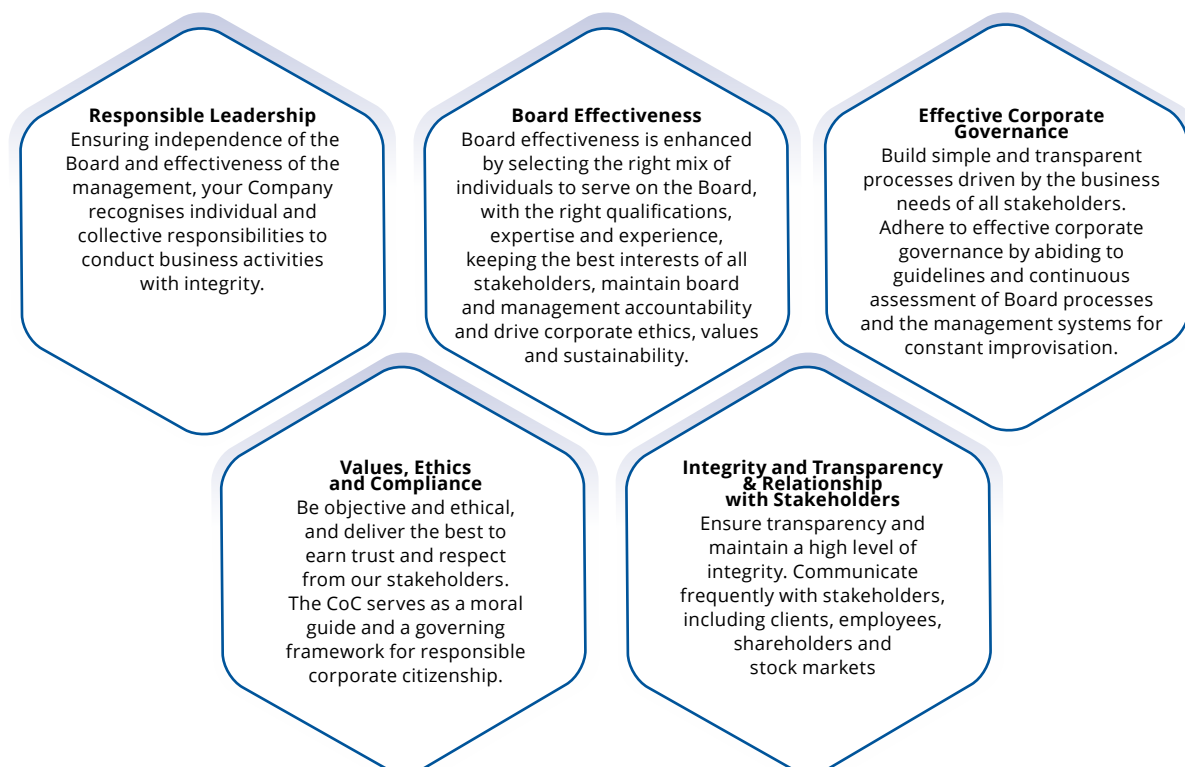
#### COMPANY'S PHILOSOPHY ON GOVERNANCE

The philosophy on Corporate Governance is built on the foundation of ethical and transparent business operations. The cardinal principles of independence, accountability, responsibility, transparency and trusteeship serve as a means for implementing the philosophy of Corporate Governance. It is designed to inspire trust, strengthen the Board and management, and believe and encourage an open culture. Your Company is focused on TVS legacy of enhancing long-term value creation for all stakeholders without compromising on integrity, societal obligations, environmental and compliances.

Your Company has envisaged a Code of Conduct and ethical practices in the right spirit of law, respecting the compliance requirements. Our commitment towards good governance would not be possible without our valued TVS SCS employees who embody values of integrity, trust, transparency and independency.

Your Company has identified and defined organisational roles with clarity. The Chairman, Managing Director together with the executive leadership team are responsible for executing corporate strategy under supervision and direction of the Board. They are also responsible for expediting all matters related to the management of the Company relating to planning and execution of business operations. The Managing Director together with the executive leadership team monitors the external competitive landscape, new industry developments and standards, identifies opportunities for expansion and acquisition and builds relationships with customers and vendor partners, with an eye on enhancing stakeholders value and working towards the organisation's goals. Your Company is constantly in pursuit of adhering to emerging best practices globally.

#### Core principles of Governance:



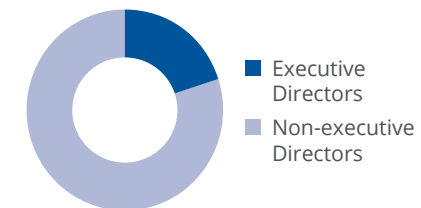
### BOARD OF DIRECTORS

Your Company has formulated a Board Diversity Policy to have a competent and professional team of Board members with a mix of leaders and thinkers to support the Company's focus on creating value for all its stakeholders. The composition of the Board meets

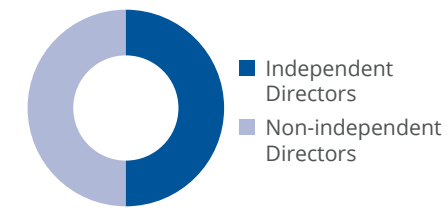
the criteria as prescribed under SEBI Listing Regulations and the Act. Their collective wisdom, experience and vision, has been of material significance in establishing the Company as a leading supply chain solutions provider in the market.

The total strength of the Board is Ten (10) and the Chairperson of the Board is an Executive Director. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations and Section 149 of the Act, read with the relevant rules made thereunder. The Board composition and gender diversity are depicted as under:

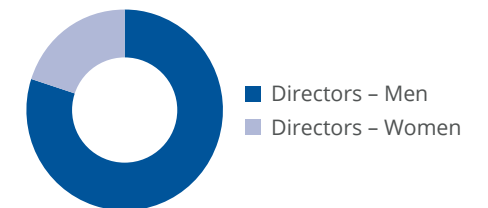
#### Composition of Board



#### Board Independence



#### Gender Diversity



Your Company strives to maintain an appropriate balance of skills and experience within the organisation and the Board in an endeavour to introduce new perspectives, while maintaining experience and continuity.

At Board meetings, managers and representatives who can provide additional insights into the items being discussed are invited. Information is provided to the Board members on a continuous basis for their review, inputs and approval.

Strategic and operating plans are presented to the Board in addition to the quarterly and annual financial statements. Important managerial decisions, material developments and statutory matters are presented to the relevant Committees of the Board and subsequently to the Board for its approval, along with the recommendation of the Committees.

In terms of the provisions of the Act and SEBI Listing Regulations, the Board submits necessary disclosures regarding the positions held by them on the Board and/ or the Committees of other companies with changes therein, if any, on a periodical basis.

None of the Directors have attained the age of seventy-five (75) years.

The Board is of the opinion that Independent Directors fulfill conditions specified under the Act and SEBI Listing Regulations and are independent of the management of the Company.

#### The Composition of the Board as on March 31, 2024:

DIN	Name of Director	Category
00363300	Sri. R. Dinesh	Promoter, Executive Director – Chairman
08713910	Sri. Ravi Viswanathan	Executive Director - Managing Director
01760700	Sri. Tarun Khanna	Non-Executive – Independent Director
02993708	Sri. B. Sriram	Non-Executive – Independent Director
01585999	Ms. Gauri Kumar	Non-Executive – Independent Director
00053563	Sri. Narayan K Seshadri	Non-Executive – Independent Director
10278010	Sri. K Ananth Krishnan	Non-Executive – Independent Director
00273837	Ms. Shobhana Ramachandhran	Promoter, Non-Executive – Director
00818724	Sri. Anand Kumar	Non-Executive – Director
09289238	Sri. Ashish Kaushik	Non-Executive – Director

### MEETINGS OF BOARD OF DIRECTORS

During the financial year, eight (8) Board meetings were held on the below mentioned dates. The maximum time gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present throughout all the meetings.



S.No.	Date of Board Meeting	No. of Directors attended
1	April 06, 2023	08
2	June 12, 2023	10
3	July 10, 2023	10
4	July 24, 2023	09
5	September 11, 2023	10
6	November 06, 2023	10
7	February 05, 2024	09
8	March 25, 2024	10

During the year, the Independent Directors of the Company, met once on March 25, 2024 and inter-alia reviewed the performance of the Non-Independent Directors, Board as a whole and Chairman of the Company, on evaluation framework adopted by it.

In compliance with the applicable provisions of the Act and the Rules made thereunder, the Company facilitates the participation of the Directors in Board/Committee meetings through video conferencing or other audio-visual mode.

### ATTENDANCE OF DIRECTORS

Name and Designation of Directors	Category of Directorship	Date of Appointment	No. of equity shares held in the company**	No. of Board Meetings attended	Attendance at AGM
Sri. R Dinesh (DIN: 00363300) Executive Director – Chairman	Promoter & Executive Chairman	16-11-2004	72,12,620	8	Yes
Sri. Tarun Khanna (DIN: 01760700) Non-Executive – Independent Director	Non-Executive – Independent Director	16-05-2022	7,50,060	5	No
Sri. B Sriram (DIN: 02993708) Non-Executive – Independent Director	Non-Executive – Independent Director	07-02-2022	-	8	No
Ms. Gauri Kumar (DIN: 01585999) Non-Executive – Independent Director	Non-Executive – Independent Director	07-02-2022	-	8	No
*Sri. Narayan K Seshadri (DIN: 00053563) Non-Executive – Independent Director	Non-Executive – Independent Director	29-08-2023	-	4	NA
*Sri. K Ananth Krishnan (DIN: 10278010) Non-Executive – Independent Director	Non-Executive – Independent Director	29-08-2023	-	4	NA
Ms. Shobhana Ramachandhran (DIN: 00273837) Non-Executive Director	Promoter & Non-Executive – Director	19-03-2015	9,66,750	8	Yes
Sri. Ravi Viswanathan (DIN: 08713910) Managing Director	Executive Director	29-02-2020	7,10,000	7	No
Sri. Anand Kumar (DIN: 00818724) Non-Executive Director	Non-Executive Director	07-02-2020	-	8	No
Sri. Ashish Kaushik (DIN: 09289238) Non-Executive Director	Non-Executive Director	08-10-2021	-	8	No
#Sri. Mahalingam S (DIN: 00121727) Non-Executive – Independent Director	Non-Executive – Independent Director	20-02-2015	2,50,000	4	No
#Sri. S Ravichandran (DIN: 01485845) Non-Executive Director	Non-Executive Director	15-11-2013	13,10,000	4	No

\* Sri. K Ananth Krishnan and Sri. Narayan K Seshadri were appointed as Independent Directors of the company with effect from August 29, 2023

# Sri. Mahalingam Sand Sri. S Ravichandran ceased to be directors of the Company with effect from August 29, 2023

\*\* The Company has not issued any type of convertible instruments to Non-Executive Directors during the FY24.

None of the Directors were issued any stock options during the year under review.

### DETAILS ABOUT DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS/CHAIRMANSHIPS HELD BY DIRECTORS OF THE COMPANY AS ON MARCH 31, 2024

Name of Director	Number of Directorship (Public Company including this listed entity)	*Membership and Chairmanship (including this listed entity)		Directorship in India Listed Entity	Category
		Membership	Chairmanship		
Sri. R. Dinesh	4	Nil	Nil	The Ramco Cements Limited	Non-Executive Director
Sri. Ravi Viswanathan	1	2	Nil	Nil	Nil
Sri. Tarun Khanna	1	Nil	Nil	Nil	Nil
Sri. B Sriram	6	4	1	ICICI Bank Limited	Independent Director
				TVS Motor Company Limited	Independent Director
				Nippon Life India Asset Management Limited	Independent Director
Ms. Gauri Kumar	4	2	1	Gujarat Mineral Development Corporation Limited	Independent Director
				Gujarat Narmada Valley Fertilisers & Chemicals Limited	Independent Director
				Gujarat State Fertilisers & Chemicals Limited	Independent Director
Sri. Narayan K Seshadri	9	4	3	PI Industries Limited	Non -Executive Chairman
				AstraZeneca Pharma India Limited	Non- Executive Independent Chairman
				SBI Life Insurance Company Limited	Independent Director
				MAX Healthcare Institute Limited	Non -Executive Director
Sri. K Ananth Krishnan	1	1	Nil	Nil	Nil
Ms. Shobhana Ramachandhran	5	2	Nil	TVS Srichakra Limited	Managing Director
				Sundaram Finance Holdings Limited	Independent Director
				Sundaram Brake Linings Limited	Non -Executive Director
Sri. Anand Kumar	3	2	Nil	Cholamandalam Investment and Finance Company Limited	Independent Director
				Tube Investments of India Limited	Independent Director
Sri. Ashish Kaushik	1	Nil	Nil	Nil	Nil

1. \*Committee Memberships/Chairmanships in Audit Committee and Stakeholders' Relationship Committee are only considered for the purpose of details of Committees.

2. None of the Directors of the Company have held memberships in more than ten committees nor are they Chairpersons of more than five committees at any time during the year.

3. Only Indian public companies are considered in the list.



### Disclosure of relationship between directors inter-se

Sri. R Dinesh, Executive Chairman and Ms. Shobhana Ramachandhran, Non-Executive Director are related to each other. Other Directors do not have any relationship with other members of the Board.

### FAMILIARISATION PROGRAMS FOR BOARD OF DIRECTORS

Senior management personnel of your Company interact with Directors from time to time to enable them to understand the Company's strategy, business model, operations, markets, organisation structure, finance, human resources, technology and such other areas. The details of such familiarisation programmes are uploaded on the website of the Company at <https://www.tvsscs.com/familiarization-programme-for-independent-directors/>

### INDEPENDENT DIRECTORS

Your Company has appointed Independent Directors having expertise and experience in their respective field/profession. They do not have pecuniary relationship with the Company and none of the independent directors hold two percent or more of the voting power of the Company.

The Independent Directors, at the first meeting of the Board in which they participate, and thereafter at the first meeting of the Board in every financial year, give a

declaration that they meet the criteria of independence stipulated in SEBI Listing Regulations and the Act and the rules framed thereunder. The Company has received the necessary declaration from Independent Directors that they fulfil "independence" criteria, stipulated in SEBI Listing Regulations, and the Act and the rules framed thereunder.






























The Independent Directors have included their names in the databank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

Your Company has issued letter of appointment to the Independent Directors and the terms and conditions of their appointment have been hosted on the website of the Company at <https://www.tvsscs.com/terms-of-appointment-of-independent-directors/>

### KEY BOARD QUALIFICATIONS, EXPERTISE, AND ATTRIBUTES

The Board is in compliance with the highest standards of Corporate Governance. The table below summarises the key qualifications, skills, and attributes which are taken into consideration while nominating candidates to serve on the Board.

Director skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions:

Director Name	Area of skills/expertise/competence/attributes					
	Leadership	Strategy and Planning	Accounting and Finance	Global Business	Supply Chain Management	Technology
Sri. R Dinesh						
Sri. Tarun Khanna						
Sri. B Sriram					X	
Ms. Gauri Kumar			X		X	X
Sri. Narayan K Seshadri						
Sri. K Ananth Krishnan					X	
Ms. Shobhana Ramachandhran						
Sri. Ravi Viswanathan						
Sri. Anand Kumar						
Sri. Ashish Kaushik					X	

### COMMITTEES OF THE BOARD

The Company, as on March 31, 2024, has the following committees, namely Audit Committee ("AC"), Stakeholders' Relationship Committee ("SRC"), Nomination & Remuneration Committee ("NRC"), Corporate Social Responsibility Committee ("CSRC") Risk Management Committee ("RMC") and ESOP Allotment Committee (ESOPC). The requisite quorum was present in all the Committee meetings.

### AUDIT COMMITTEE

The AC is established as a committee of the Board in accordance with the provisions set out in the Act and SEBI Listing Regulations including any amendments, statutory modifications, or re-enactments thereof. The responsibilities of the AC shall include such other items/matters prescribed under applicable laws or as set out by the Board from time to time. The AC was constituted with the primary objective assisting the Board with oversight of accuracy, integrity and transparency of the Company's financial statements with adequate and timely disclosures.

#### The terms of reference of AC inter alia, include the following:

- Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
  - Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;
  - Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
  - Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section 3 of section 134 of the Companies Act;
    - Changes, if any, in accounting policies and practices and reasons for the same;
    - Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
- Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Qualifications / modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
  - Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice, and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company.
  - Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - Formulating a policy on related party transactions, which shall include materiality of related party transactions;
  - Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
  - Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
  - Scrutiny of inter-corporate loans and investments;
  - Valuation of undertakings or assets of the company, wherever it is necessary;
  - Evaluation of internal financial controls and risk management systems;
  - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;



- (o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (p) Discussion with internal auditors of any significant findings and follow up thereon;
- (q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (r) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (t) Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (u) Reviewing the functioning of the whistle blower mechanism;
- (v) Approval of the appointment of the Chief Financial Officer of the Company ("CFO") (i.e., the wholtime finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
- (w) Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations, each as amended and other applicable laws;
- (x) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;
- (y) Overseeing a vigil mechanism established by the Company, providing for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairman of the Audit Committee for directors and employees to report their genuine concerns or grievances;
- (z) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

- (aa) Reviewing the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
- (bb) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
- (cc) Such roles as may be prescribed under the Companies Act and SEBI Listing Regulations.

#### AC shall mandatorily review the following information:

- (a) Management discussion and analysis of financial condition and results of operations;
- (b) Management letters / letters of internal control weaknesses issued by the statutory auditors of the Company;
- (c) Internal audit reports relating to internal control weaknesses;
- (d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;
- (e) Statement of deviations:
  - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
  - (ii) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations; and
- (f) review the financial statements, in particular, the investments made by any unlisted subsidiary.

#### Composition, meetings and attendance of AC

During the year, AC met Seven (7) times and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meeting were held are June 12, 2023, July 10, 2023, September 11, 2023, November 06, 2023, January 29, 2024, February 05, 2024 and March 25, 2024. The requisite quorum was present for all the meetings.

#### The composition of AC and the details of meetings attended by its members are given below

S. No	Name	Category	Number of meetings	
			Held	Attended
1	*Sri. Narayan K Seshadri	Non-Executive Independent Director	7	5
2	Sri. B Sriram	Non-Executive Independent Director	7	7
3	Sri. Ravi Viswanathan	Executive Director	7	7
4	##Sri. K Ananth Krishnan	Non-Executive Independent Director	7	NA
5	#Sri. S Mahalingam	Non-Executive Independent Director	7	2

\*Mr. Narayan K Seshadri was appointed as Chairman with effect from August 29, 2023

#Mr. S Mahalingam ceased as Chairman with effect from August 29, 2023

##Mr. Ananth Krishnan was appointed as member with effect from March 25, 2024

The AC complies with the SEBI Listing Regulations relating to composition, independence of its members, financial expertise and the audit committee charter.

All the members of AC are financially literate. The Global Chief Financial Officer, partners/ representatives of the Statutory Auditors and the Internal Auditors are invited to attend the meetings of the Committee.

Sri. P D Krishna Prasad, Company Secretary is the Secretary to the AC.

#### NOMINATION AND REMUNERATION COMMITTEE

NRC is constituted in accordance with the provisions of the Act and SEBI Listing Regulations, including any amendments, statutory modifications or re- enactment thereof.

#### The terms of reference of NRC are as follows:

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

The NRC, while formulating the above policy, should ensure that

  - (i) The level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

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

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

- (b) Formulation of criteria for evaluation of performance of independent directors and the Board;
- (c) Devising a policy on Board diversity;
- (d) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
- (e) Analysing, monitoring and reviewing various human resource and compensation matters;
- (f) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- (g) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);
- (h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

- (i) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (j) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (k) Administering, monitoring and formulating the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the applicable laws ("ESOP Scheme")
- (i) Determining the eligibility of employees to participate under the ESOP Scheme;
- (ii) Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
- (iii) Date of grant;
- (iv) Determining the exercise price of the option under the ESOP Scheme;
- (v) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
- (vi) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
- (vii) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
- (viii) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
- (ix) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
- (x) The grant, vest and exercise of option in case of employees who are on long leave;
- (xi) Allow exercise of unvested options on such terms and conditions as it may deem fit;
- (xii) The procedure for cashless exercise of options;
- (xiii) Forfeiture/ cancellation of options granted;
- (xiv) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
  - for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
  - the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.
- (l) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;
- (m) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
- (i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;
- (ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended; and
- (iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, by the Company and its employees, as applicable.
- (n) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.
- (o) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.
- (p) The NRC shall meet at least once a year.

### Composition, meetings and attendance of the NRC:

During the FY24, the NRC met once (1) on June 05, 2023. The requisite quorum was present for the meeting.

The composition of NRC and the details of meeting attended by its members are given below:

S. No	Name	Category	Number of meetings	
			Held during tenure	Total attended
1	Sri. Tarun Khanna	Non-Executive Independent Director	1	1
2	Sri. B Sriram	Non-Executive Independent Director	1	NA
3	*Sri. Narayan K Seshadri	Non-Executive Independent Director	1	NA
4.	#Sri. S Mahalingam	Non-Executive Independent Director	1	1
5.	#Sri. S Ravichandran	Non-Executive	1	1

\* Sri. Narayan K Seshadri and Sri. B Sriram were appointed as members of the NRC with effect from August 29, 2023

#Sri. S Mahalingam and Sri. S Ravichandran were ceased to be members of the NRC with effect from August 29, 2023

Sri. P D Krishna Prasad, Company Secretary is the Secretary to the NRC.

### Board Evaluation

In compliance with the applicable provisions of the Act, the SEBI Listing Regulations, the Board evaluation was carried out taking into consideration following criteria:

Board Structure, compositions and meetings, performance and effectiveness, quality, transparency and independence, participation and contribution at Board / Committee meetings, including guidance provided to management.

The evaluation of Directors was done by the entire Board, excluding the Director being evaluated. Each Director independently evaluates the performance and contribution of other Directors in the overall context of Board processes and on the basis of performance

evaluation. It was noted that all the Directors were discharging their roles effectively.

### Remuneration Policy

The Remuneration Policy of your Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results, acknowledging the societal context around remuneration. The policy is hosted at the website of the Company at <https://www.tvsscs.com/remuneration-and-diversity-policy/>

### Remuneration to Directors

#### (a) Criteria for Non-Executive Directors

The non -executive Directors of the Company are paid remuneration by way of sitting fee and commission based on the criteria laid down by NRC and the Board which may include:

- Performance of the Company
- Member's attendance, position held in the Committee(s), and
- Time spent by each member

### Details of the remuneration for Non-Executive Directors for the year ended March 31, 2024:

(₹ in Crores)				
S. No	Name of Director	Commission (₹)	Sitting fees (₹)	Total (₹)
1	Sri. Tarun Khanna	0.10	0.07	0.17
2	Sri. B Sriram	0.12	0.16	0.28
3	Ms. Gauri Kumar	0.10	0.14	0.24
4	Sri. Narayan K Seshadri	0.12	0.10	0.22
5	Sri. K Ananth Krishnan	0.10	0.07	0.17
6	Ms. Shobhana Ramachandhran	0.10	0.09	0.19
7	Sri. Anand Kumar	Nil	Nil	Nil
8	Sri. Ashish Kaushik	Nil	Nil	Nil
9	#Sri. S Mahalingam	NA	0.06	0.06
10	#Sri. S Ravichandran	NA	0.06	0.06

#Sri. S Mahalingam and Sri. S Ravichandran ceased to be directors of the Company with effect from August 29, 2023

### Details of Remuneration for the Executive Directors for the year ended March 31, 2024

(₹ in Crores)					
Name of Director	Salary	Perquisites	Commission	Stock Options	Total
Sri. R Dinesh	2.40	0.98	-	-	3.38
Sri. Ravi Viswanathan	0.84	2.17	-	-	3.01

None of the Non-Executive Directors have any pecuniary relationship or transaction with the Company.

The remuneration excludes perquisite value on any stock compensation plans.

No Stock options were granted under employees stock options schemes of the Company during FY 2023-24 to the Directors.



## STAKEHOLDERS' RELATIONSHIP COMMITTEE

SRC is constituted in accordance with the provisions of the Act and SEBI Listing Regulations including any amendments, statutory modifications, or re-enactments thereof.

The purpose of SRC is to assist the Board to oversee the existing redressal mechanisms in relation to shareholders of the Company and assist the Board in fulfilling its oversight responsibilities in respect of review of stakeholders' service standards and redressal of stakeholders' grievances.

### The terms of reference of SRC inter alia, include the following:

- Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., and assisting with quarterly reporting of such complaints;
- Reviewing of measures taken for effective exercise of voting rights by shareholders;
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- Giving effect to all transfer/ transmission of shares and debentures, dematerialisation of shares and rematerialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company;
- Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
- Considering and specifically looking into various aspects of interest of shareholders, debentures or any other securities;
- Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

- To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s);
- Carrying out such other functions as may be specified by the Board from time to time or specified/ provided under the Act or SEBI Listing Regulations, or by any other regulatory authority.

### Composition, meeting and attendance of SRC

During the FY24, the SRC Committee met once (1) on January 29, 2024. The requisite quorum was present for all the meeting.

The composition of the SRC and the details of meetings attended by its members are given below:

S. No	Name	Category	Number of meetings	
			Held during tenure	Total attended
1	Ms. Gauri Kumar	Non-Executive Independent Director	1	1
2	Sri. B Sriram*	Non-Executive Independent Director	1	1
3	Sri. Ravi Viswanathan	Executive Director	1	1
4	#Sri. S Ravichandran	Non-Executive Director	1	NA

\* Sri. B Sriram was appointed as members with effect from August 29, 2023

#Sri. S Ravichandran ceased to be member with effect from August 29, 2023

Sri. P D Krishna Prasad, Company Secretary is the Secretary of SRC.

### Details of Investor Complaints

During the year, the Company had received 201 complaints/queries in relation to IPO of the Company, from the shareholders which have been resolved. One shareholder complaint was pending as on March 31, 2024, which was resolved in due course. The complaints were solved to the satisfaction of shareholders.

Sri. P D Krishna Prasad, Company Secretary is the Compliance officer.

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSRC)

Company has constituted a CSRC pursuant to the provisions of the Section 135 of the Act read with Companies (Corporate Social Responsibility) Rules, 2014.

CSRC reviews and monitors the CSR policy and the CSR activities undertaken by the Company. The CSR Policy is hosted at the website of the Company at <https://www.tvsscs.com/global-csr-policy/>

### The terms of reference of the CSRC are as follows:

- To formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
- To formulate and recommend an annual action plan in pursuance of its CSR Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects;
- To identify CSR Policy partners and corporate social responsibility policy programmes;
- To recommend the amount of expenditure to be incurred for the CSR activities, being at least two-percent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its corporate social responsibility, and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- To delegate responsibilities to the CSR team and supervise proper execution of all delegated responsibilities;
- To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and
- To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013.

### Composition, meetings and attendance of the CSRC

During the FY24, the CSRC met twice (2). on June 09, 2023 and January 29, 2024. The requisite quorum was present for all the meetings.

The composition of CSRC and the details of meetings attended by its members are given below:

S. No	Name	Category	Number of meetings	
			Held during tenure	Total attended
1	Ms. Gauri Kumar	Non-Executive Independent Director	2	2
2	Ms. Shobhana Ramachandran	Non-Executive Director	2	1
3	**Sri. Ravi Viswanathan	Executive Director	2	1
4	*Sri. S Ravichandran	Non-Executive Director	2	1

\*Sri. S Ravichandran ceased to be member with effect from August 29, 2023

\*\* Sri. Ravi Viswanathan was appointed as member with effect from August 29, 2023

Sri. P D Krishna Prasad, Company Secretary is the Secretary of CSRC.

The Annual CSR Report as required under the Act for the year ended March 31, 2024 is attached as Annexure to the Board's Report.

## RISK MANAGEMENT COMMITTEE

The RMC was formed to frame, implement and monitor the risk management plan for the Company. RMC is responsible for reviewing the risk management plan and ensuring its effectiveness.

### The terms of reference of RMC inter alia, include the following:

- To formulate a detailed risk management policy which shall include:
  - framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined;
  - Measures for risk mitigation including systems and processes for internal control of identified risks;
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

- (e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (f) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the RMC.
- (g) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
- (h) Laying down risk assessment and minimisation procedures and the procedures to inform Board of the same;
- (i) Framing, implementing, reviewing and monitoring the risk management plan for the Company and such other functions, including cyber security; and
- (j) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee.

#### Composition, meeting and attendance of RMC

During FY24 the RMC met once (1) on

January 29, 2024. The requisite quorum was present for the meeting.

The composition of the RMC and the details of meeting attended by its members are given below:

S. No	Name	Category	Number of meetings during the financial year	
			Held during tenure	Total attended
1	*Sri. Ananth Krishnan	Non-Executive Independent Director	1	1
2	Sri. R. Dinesh	Executive Director	1	1
3	Sri. Ravi Viswanathan	Executive Director	1	1
4	#Sri. B Sriram	Non-Executive Independent Director	1	NA

\*Sri. Ananth Krishnan was appointed as the Chairman with effect from August 29, 2023

# Sri. B Sriram ceased as the Chairman with effect from August 29, 2023

The RMC has mix of executive and non-executive directors.

Sri. P D Krishna Prasad, Company Secretary is the Secretary of RMC.

#### ESOP Allotment Committee

During the FY24 ESOP Allotment Committee was constituted towards allotment of equity shares consequent to exercise of stock options granted to eligible employees under employee stock option schemes.

The composition of ESOP Allotment Committee is given below:

S. No	Name	Category
1	Sri. R Dinesh	Executive Director
2	Sri. Ravi Viswanathan	Executive Director

### GENERAL BODY MEETINGS

#### (a) Details of location and time of last three Annual General Meeting's ("AGM")

Year for which AGM was held	Location	Day, Date and Time	Whether Special Resolution passed
2022-23	10, Jawahar Road, Chokkikulam, Madurai - 625 002	Thursday, August 10, 2023, at 11.00 AM	No
2021-22	10, Jawahar Road, Chokkikulam, Madurai - 625 002	Thursday, June 30, 2022, at 11.30 AM	Yes
2020-21	10, Jawahar Road, Chokkikulam, Madurai - 625 002	Thursday, September 30, 2021, at 11.00 AM	Yes

Details of location and time of Extra-ordinary General Meetings convened during the FY24

Day, Date & Time of EGM	Location	Whether Special Resolution passed
Wednesday, April 12, 2023, at 10.30 AM	No. 58, Eldams Road, Teynampet, Chennai 600 018	Yes
Saturday, April 22, 2023, at 10.35 AM	No. 58, Eldams Road, Teynampet, Chennai 600 018	Yes
Monday, July 17, 2023, at 9.05 AM	No. 58, Eldams Road, Teynampet, Chennai 600 018	Yes
Tuesday, July 25, 2023, at 9.05 AM	No. 58, Eldams Road, Teynampet, Chennai 600 018	Yes

#### Postal Ballot:

During the year, resolutions were passed through postal ballot and the voting results are as under:

S. No	Particulars	Date of passing of Resolution	% of votes in favour	% of votes against	Result
1	Appointment of Sri. K. Ananth Krishnan as an Independent Director	November 24, 2023	99.99	0.01	passed with requisite majority
2	Appointment of Sri. Narayan K Seshadri as an Independent Director	November 24, 2023	99.65	0.35	passed with requisite majority
3	Ratification of TVSSCS Management Incentive Plan I, 2018	November 24, 2023	98.31	1.69	passed with requisite majority
4	Ratification of extension of the benefits under the TVS SCS Management Incentive Plan I, 2018 to employees of subsidiary companies	November 24, 2023	98.31	1.69	passed with requisite majority
5	Ratification of TVS SCS Management Incentive Plan II, 2018	November 24, 2023	98.31	1.69	passed with requisite majority
6	Ratification of extension of the benefits under the TVS SCS Management Incentive Plan II, 2018 to employees of subsidiary companies	November 24, 2023	98.31	1.69	passed with requisite majority
7	Ratification of TVS Supply Chain Solutions Employee Stock Option Plan 2021	November 24, 2023	95.09	4.91	passed with requisite majority
8	Ratification of extension of the benefits under the TVS Supply Chain Solutions Employee Stock Option Plan 2021 to employees of subsidiary companies	November 24, 2023	95.10	4.90	passed with requisite majority

### MEANS OF COMMUNICATION

- The quarterly, half yearly and annual results were published in English and Regional (Tamil) newspapers, namely Business Standard and Makkal Kural.
- The quarterly, half-yearly and annual financial results including official news releases appear on our website [www.tvsscs.com](http://www.tvsscs.com) under the investors section.
- Presentations made to institutional investors or to the analysts are available on our website [www.tvsscs.com](http://www.tvsscs.com) under the investors section.
- The Company has designated [investor.relations@tvsscs.com](mailto:investor.relations@tvsscs.com) as a designated email id for the purpose of registering grievances by investors and has displayed the same on the Company's website.
- The Company organised earnings call post announcement of the quarterly/half-yearly/annual financial results. The transcripts of these calls are communicated to Stock Exchanges and uploaded on the website of the Company.

The Company organises analyst call / session periodically to enable the shareholders to interact with the management and clarify their queries on the performance of the Company.



## GENERAL SHAREHOLDER INFORMATION

S. No	Twentieth Annual General Meeting	
1.	<b>Day, Date and Time</b>	Friday, August 9, 2024, 03:00 P.M.
2.	<b>Venue</b>	Video Conferencing/Other Audio Visual Means (VC/ OAVM)
3.	<b>Financial Year</b>	April 1, 2023, to March 31, 2024
4.	<b>Date of payment of dividend</b>	Not applicable
5.	<b>Listing of Equity Shares</b>	BSE Limited ("BSE"), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 National Stock Exchange of India Ltd. ("NSE") Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
6.	<b>Listing Fee</b>	Annual listing fee for the financial year 2023-24 has been paid to both the Stock Exchanges.
7.	<b>Depository Fee</b>	Annual custody fee for the financial year 2023-24 has been paid to the Depositories.
8.	<b>Corporate Identity Number</b>	L63011TN2004PLC054655
9.	<b>Stock Code</b>	
	<b>I. Trading Symbol at</b>	BSE 543965 NSE TVSSCS
	<b>II. Demat ISIN in NSDL &amp; CDSL for Equity shares</b>	INE395N01027
	<b>III. Registrar and Share Transfer Agent</b>	M/s. Link Intime India Private Limited, SEBI Registration No.: - INR000004058 C 101, 1 <sup>st</sup> Floor, 247 Park L.B.S. Marg, Vikhroli West, Mumbai, Maharashtra-400083 Phone No.: +91 8108114949 E-Mail: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>

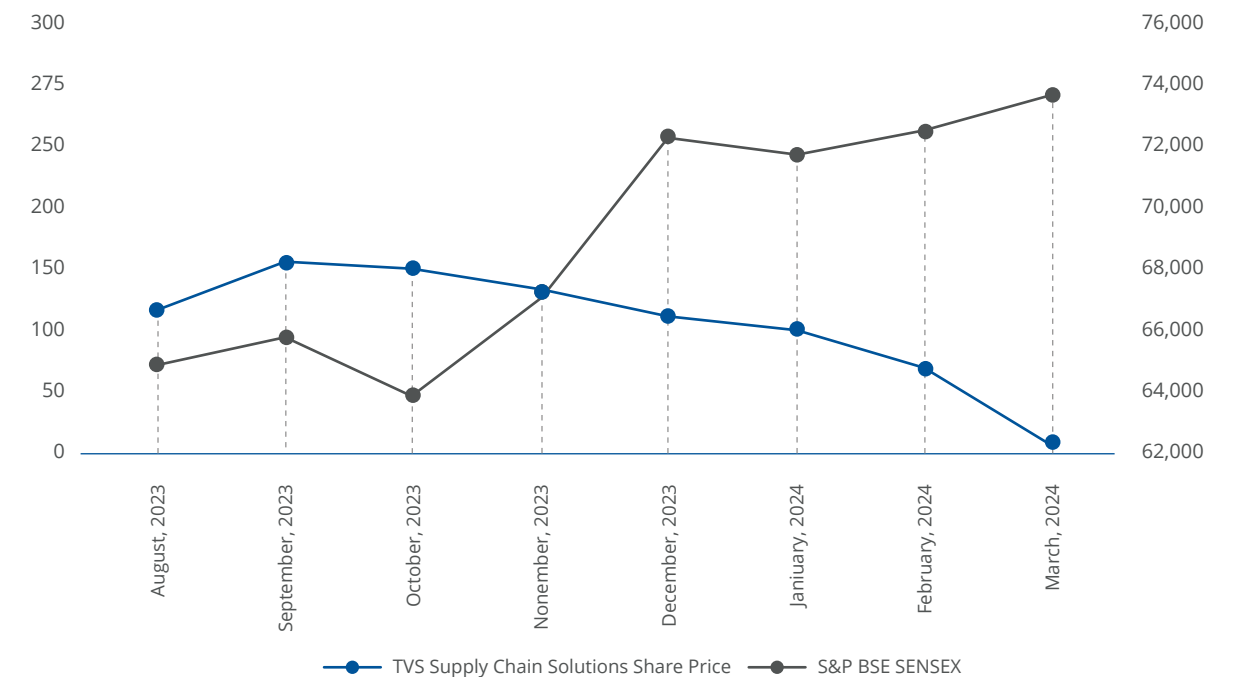
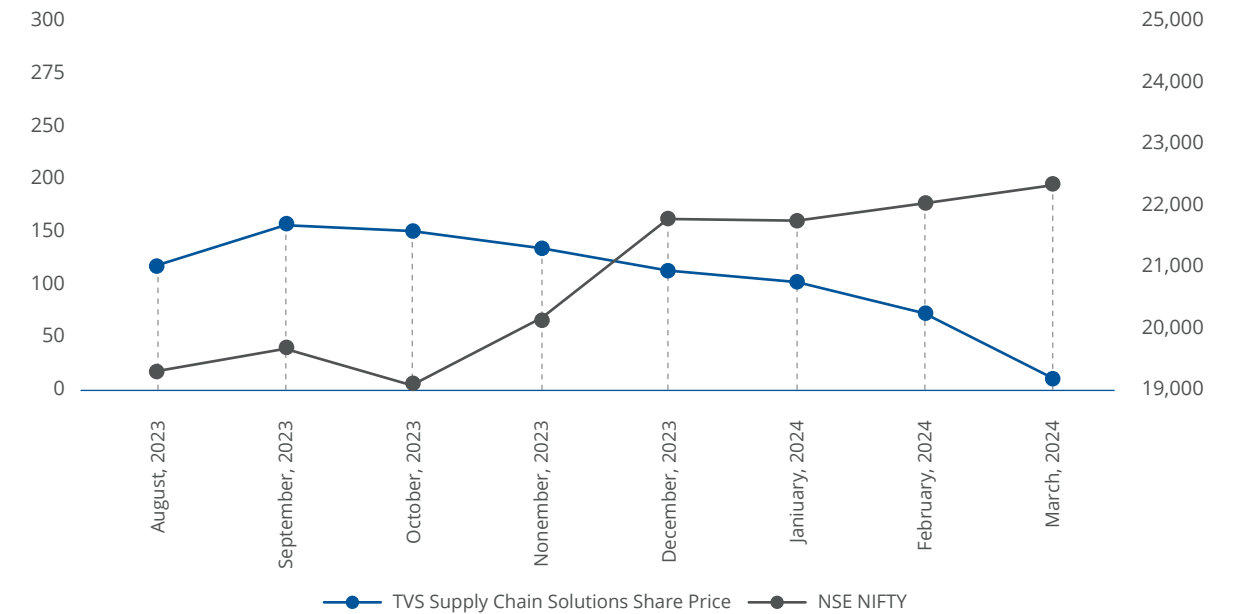
## STOCK PRICE DATA

S. No	Month	NSE			BSE		
		High	Low	Close*	High	Low	Close*
1.	Apr-23	NA	NA	NA	NA	NA	NA
2.	May-23	NA	NA	NA	NA	NA	NA
3.	Jun-23	NA	NA	NA	NA	NA	NA
4.	Jul-23	NA	NA	NA	NA	NA	NA
5.	Aug-23	208.60	193.80	200.15	208.50	193.95	200.25
6.	Sep-23	258.00	196.70	215.55	257.95	196.50	215.55
7.	Oct-23	231.15	202.65	212.90	231.05	202.80	212.85
8.	Nov-23	223.90	206.50	207.85	223.85	206.30	207.70
9.	Dec-23	211.00	197.50	198.20	211.00	197.50	198.20
10.	Jan-24	203.95	185.85	193.25	203.85	186.05	193.30
11.	Feb-24	205.00	178.70	180.45	205.00	178.65	180.85
12.	Mar-24	184.40	145.00	154.40	185.50	145.40	154.45

\*Close price as on the last trading day of the month

The Companies shares got listed in Stock Exchanges with effect from August 23,

## STOCK PERFORMANCE IN COMPARISON WITH NIFTY AND SENSEX



## REGISTRAR AND SHARE TRANSFER AGENT

The Company has appointed M/s. Link Intime India Private Limited, as Registrar and Share Transfer Agent (RTA).

Trading in equity shares of the Company through recognised stock exchanges only in dematerialised form.

## SHAREHOLDING

### DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2024

Sr. No.	Number of shares			No. of Holders	% of total holders	Number of shares	% of total shareholding
1	1	To	5000	1,14,260	99.21	2,52,05,049	5.73
2	5001	To	10000	479	0.42	36,34,509	0.83
3	10001	To	20000	203	0.18	29,94,310	0.68
4	20001	To	30000	62	0.05	15,78,330	0.36
5	30001	To	40000	22	0.02	7,91,098	0.18
6	40001	To	50000	11	0.01	5,21,455	0.12
7	50001	To	100000	40	0.03	29,83,754	0.68
8	100001	To	and above	95	0.08	40,25,00,405	91.43
Total				1,15,172	100.00	44,02,08,910	100.00

### Statement showing shareholding pattern as on March 31, 2024

Category	No. of Share holders	No. of Shares	% of Shareholding
Promoter and Promoter Group	12	18,98,48,294	43.13
Resident Individuals	1,09,465	7,39,37,741	16.79
Hindu Undivided Family	2,233	13,78,926	0.31
Clearing Members	4	1,503	0
Mutual Fund	11	42,85,738	0.97
Foreign Companies	4	6,79,26,528	15.43
Foreign Nationals	2	22,91,980	0.52
Foreign Portfolio Investors	10	10,32,956	0.24
Financial Institutions/Banks	3	98,24,052	2.23
Insurance Company	2	1,42,32,028	3.23
Non-Resident Indians	1,078	26,28,042	0.6
Bodies Corporate	328	6,78,28,580	15.41
Trust(s)	4	20,265	0
Limited Liability Partnership	36	9,62,964	0.22
Alternate Investment Funds	1	40,09,313	0.91
Total	1,13,193	44,02,08,910	100

### DEMATERIALISATION OF SHARES AND LIQUIDITY

The equity shares of the Company are compulsorily traded in dematerialised form by all categories of investors. As on March 31, 2024, 99.99% equity shares of the Company were held in dematerialised form. In order to enable the Company to serve the investors in a better way, the Company requests members to update their bank accounts with their respective depository participants.

### OUTSTANDING GDR/WARRANTS AND CONVERTIBLE NOTES, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

There are no outstanding GDRs/ ADRs/ Warrants or any convertible instruments as on March 31, 2024, having an impact on equity.

## ADDRESS FOR CORRESPONDENCE

Registrar & Share Transfer Agents (R&TA)	M/s. Link Intime India Private Limited, SEBI Registration No.: - INR000004058 C 101, 1 <sup>st</sup> Floor, 247 Park L.B.S. Marg, Vikhroli West, Mumbai, Maharashtra- 400 083  Phone No.: +91 8108114949 E-Mail: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>
	TVS Supply Chain Solutions Limited Corporate office: No. 58, Eldams Road, Teynampet Chennai 600 018 India Phone: Ph 044-66857777
Website Address	<a href="http://www.tvsscs.com">www.tvsscs.com</a>
Email ID of Investor Grievances Section	<a href="mailto:cs.compliance@tvsscs.com">cs.compliance@tvsscs.com</a>
Name of the Compliance Officer	P D Krishna Prasad, Company Secretary

## CREDIT RATING

The Company has obtained credit rating from India rating & research and the details of ratings awarded during the period under review are as follows.

Instrument type	Current Rating / Outlook		
	Rating Type	Rated Limits (million)	Rating
Issuer rating	Long-term	-	IND AA/Stable
Fund-based working capital limits	Long-term/Short-term	INR 6,720	IND AA/Stable/IND A1+
Non-fund-based limits	Short-term	INR 150	IND A1+
CP	Short-term	INR 2,000	IND A1+
Term loan	Long-term	INR 1,600	IND AA/Stable

## DISCLOSURES

### a) Related Party Transactions

Your Company has in place a policy on related party transactions as approved by the Board and the same is available on the website of the Company at <https://www.tvsscs.com/related-party-transactions-policy/>

There are no material related party transactions and all contracts, arrangements, transactions entered by the Company during the financial year with related parties were in ordinary course of business and on an arm's length basis and are in compliance to applicable provisions of the Act/ SEBI Listing Regulations. Hence, the disclosure of related party transactions in Form AOC-2 is not applicable.

Details of related party transactions entered into by your Company, in terms of Ind AS-24 have been disclosed in the Notes to Financial Statements.

### b) Details of Penalty/Fines, Strictures, etc.

Your Company has complied with the requirements of Stock Exchange/SEBI/ any Statutory Authority on all matters relating to capital markets, wherever applicable. Since the date of its listing, there were no penalties or

strictures imposed on the Company by the Stock Exchange(s), SEBI and/ or any other Statutory Authorities on matters relating to capital market.

### c) Whistle Blower Policy

Your Company has established a Vigil Mechanism/ Whistle Blower Policy to enable stakeholders to report unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

The Whistle Blower Policy has been hosted on the Company's website under the web link <https://www.tvsscs.com/whistle-blower/>

### d) Compliance with mandatory requirements

Your Company has complied with all applicable mandatory requirements in terms of SEBI Listing Regulations relating to Corporate Governance.

### e) Commodity Price Risk Foreign Exchange Risk and Hedging Activities

During the financial year ended March 31, 2024, the Company did not engage in commodity hedging activities.

Disclosure pursuant to SEBI/HO/CFD/CMD1/CIR/ P2018/0000000141 circular on Commodity Price



Risk Foreign Exchange Risk and Hedging Activities  
– Not applicable

**f) Details of utilisation of funds**

The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations relating to Corporate Governance.

**g) Certificates from Company Secretary in Practice**

As required by Regulation 34(3) and Schedule V para E of the SEBI Listing Regulations, the certificate given by Mr. K Venugopalan, Practicing Company regarding compliance with Corporate Governance norms, is annexed to this Report. As required by Clause 10(i) of para C under Schedule V of the SEBI Listing Regulations, the Company has received a certificate from Mr. K Venugopalan, Company Secretary in Practice, certifying that none of the Directors have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI or Ministry of Corporate Affairs or such other statutory authority.

**h) Disclosure in relation to recommendation made by any committee which was not accepted by the Board**

During the FY24, there were no such recommendations made by any committee of the Board which were mandatorily required and accepted of the Board.

**i) Fees for services rendered by Statutory Auditor**

The total fees for all services paid by the Company and its Subsidiaries during financial year, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the statutory Auditors are part of is detailed below:

	(₹ in Crores)
Details of Services	Fees
Fees for audit and related services (including IPO) and all their network firms/entities	7.47
Fees for other services	Nil
Total	7.47

**j) Sexual Harassment of Women at Workplace**

Your Company has zero tolerance towards sexual harassment at its workplace and has adopted a Policy for Prevention of Sexual Harassment in line

with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") to provide a safe, secure and enabling environment, free from sexual harassment. Your Company has framed a policy on prevention of sexual harassment of women at workplace to ensure free and fair enquiry process on complaints received from women employees on sexual harassment. As stipulated by SEBI, the status of complaints received on sexual harassment is as below:

Number of Complaints filed during FY 2023-24	1
Number of Complaints disposed of during the FY 2023-24	1
Number of Complaints pending as on end of the FY 2023-24	Nil

**k) Disclosure of Loans and Advances**

The Particulars of Loans/Advances/Investments required to be disclosed pursuant to Para A of Schedule V of SEBI Listing Regulations are furnished separately in Directors Report and forms part of this Annual Report.

**l) Subsidiary Companies**

The Company has 65 (including step down subsidiaries) as on March 31, 2024. The Audit Committee and the Board of the Company have been regularly apprised of the business and financial performance of the material subsidiaries and key decisions, significant transactions and material events, which have bearing on the interest of investments made in the step-down subsidiaries. The management invites key managers of the subsidiaries to provide updates on their business operations to the Board.

The Company has 5 material subsidiaries viz., TVS SCS Global Freight Solutions Limited, Rico Logistics Limited (UK), TVS Supply Chain Solutions Limited (UK), TVS Supply Chain Solutions North America Inc. USA and TVS SCS Singapore Pte. Ltd. Pursuant to Regulation 24 of the SEBI Listing Regulations, Independent Directors of the Company form part of the Board of its material subsidiaries as applicable. Your Company has not sold/disposed/leased any of its assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during the FY24.

Your Company formulated a Policy on Material Subsidiary as required under SEBI Listing Regulations and the policy is hosted on the website of the Company at <https://www.tvsscs.com/policy-for-determination-of-material-subsidary/>

The details of material subsidiaries in relation to Statutory Auditors as required under SEBI Listing Regulations are detailed below:

Name of the subsidiary	Date of incorporation	Place of incorporation	Name of the Statutory Auditor	Date of Appointment of Statutory Auditors
Rico Logistics Limited (UK)	28-10-2003	United Kingdom	Ernst & Young LLP	NA
TVS SCS Global Freight Solutions Limited	19-07-2007	India	M/s. Sundaram & Srinivasan	September 2015
TVS Supply Chain Solutions Limited (UK)	21-09-1992	United Kingdom	Ernst & Young LLP	NA
TVS Supply Chain Solutions North America Inc. USA	15-09-1947	USA	Not Applicable	NA
TVS SCS Singapore Pte. Ltd.	27-05-1993	Singapore	Deloitte & Touche LLP	NA

**m) CEO and CFO certification**

As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Managing Director and Chief Financial Officer have given appropriate certifications to the Board of Directors of the Company.

**n) Dividend Distribution Policy**

Your Company has formulated a Dividend Distribution Policy, with an objective to provide the dividend distribution framework to the stakeholders of the Company. The policy sets out various internal and external factors, which shall be considered by the Board in determining the dividend pay-out. The policy is available on the website of the Company at <https://www.tvsscs.com/dividend-declaration/>.

**o) Reconciliation of Share Capital Audit Report**

As stipulated by SEBI, a Company Secretary in Practice carries out reconciliation of share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form with the total issued and listed capital. This audit is carried out every quarter and the reports thereon are submitted to the Stock Exchanges, BSE Limited and National Stock Exchange of India Limited. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and in physical form.

**p) Accounting Treatment**

In the preparation of the Financial Statements for the FY24, the Company has followed the applicable Indian Accounting Standards (Ind AS) as referred to in Section 133 of the Act. The significant accounting policies which are consistently applied are set out in the Notes to the financial statements.

**q) Disclosure in relation to compensation to Non-Executive Directors**

The NRC recommends all fees/compensation paid to the Non-Executive Directors (including Independent Directors) and the fees/compensation is fixed by the Board and approved by the members in the general meeting as per the provision of the Act.

**r) Code of Conduct and Ethics**

The Company has in place a comprehensive code of conduct for the Board of Directors and senior management of the Company. The code has also been posted on the Company's website at <https://www.tvsscs.com/code-of-business-conduct-employees-senior-management/> & <https://www.tvsscs.com/code-of-conduct-independent-director/>

Annual Affirmation of compliance with the code has been made by the Directors and senior management of the Company. The necessary declaration by the Managing Director of the Company regarding compliance of the code of conduct for the financial year is forming part of this Report.

**s) Code of Conduct for Prohibition of Insider Trading**

Your Company has adopted a code of conduct as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT"), as amended. All designated persons who could have access to the Unpublished Price Sensitive Information ("UPSI") of the Company are governed by the code. During the FY24, there has been compliance with SEBI PIT. Your Company has also formulated a Code of Practices & Procedures for Fair Disclosure of UPSI. The code has also been posted on the Company's website at <https://www.tvsscs.com/code-of-conduct-on-prohibition-of-insider-trading/>

**t) Disclosure of certain type of agreements binding on the listed entity:**

During the FY24, no agreements were entered requiring a disclosure under Clause 5A to para A of part A of Schedule III of SEBI Listing Regulations.

**u) The disclosures on compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI Listing Regulations are as follows:**

Regulation	Particulars of Regulation	Compliance Status (Yes/No)
17	Board of Directors	Yes
17 A	Maximum Number of Directorships	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
24 A	Secretarial Audit and Secretarial Compliance Report	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

## PLANT LOCATIONS

Being a service provider, the Company has no plant locations.

## Details of Corporate Policies

Particulars	Website Details/Links
Dividend Distribution Policy	<a href="https://www.tvsscs.com/dividend-declaration/">https://www.tvsscs.com/dividend-declaration/</a>
Terms and conditions of appointment of Independent Directors	<a href="https://www.tvsscs.com/terms-of-appointment-of-independent-directors/">https://www.tvsscs.com/terms-of-appointment-of-independent-directors/</a>
Familiarisation Programme for Independent Directors	<a href="https://www.tvsscs.com/familiarization-programme-for-independent-directors/">https://www.tvsscs.com/familiarization-programme-for-independent-directors/</a>
Remuneration and Board Diversity Policy	<a href="https://www.tvsscs.com/remuneration-and-diversity-policy/">https://www.tvsscs.com/remuneration-and-diversity-policy/</a>
Code of Business Conduct - Non-Executive and Independent Directors	<a href="https://www.tvsscs.com/code-of-conduct-independent-director/">https://www.tvsscs.com/code-of-conduct-independent-director/</a>
Code of Business Conduct - Employees & Senior Management	<a href="https://www.tvsscs.com/code-of-business-conduct-employees-senior-management/">https://www.tvsscs.com/code-of-business-conduct-employees-senior-management/</a>
Code of conduct on Prohibition of Insider Trading	<a href="https://www.tvsscs.com/code-of-conduct-on-prohibition-of-insider-trading/">https://www.tvsscs.com/code-of-conduct-on-prohibition-of-insider-trading/</a>
Code of Fair Disclosures	<a href="https://www.tvsscs.com/code-of-fair-disclosures/">https://www.tvsscs.com/code-of-fair-disclosures/</a>
Global CSR Policy	<a href="https://www.tvsscs.com/global-csr-policy/">https://www.tvsscs.com/global-csr-policy/</a>
Related Party Transactions Policy	<a href="https://www.tvsscs.com/related-party-transactions-policy/">https://www.tvsscs.com/related-party-transactions-policy/</a>
Risk Management Policy	<a href="https://www.tvsscs.com/risk-management-policy/">https://www.tvsscs.com/risk-management-policy/</a>
Policy for Determination of Material Subsidiary	<a href="https://www.tvsscs.com/policy-for-determination-of-material-subsidiary/">https://www.tvsscs.com/policy-for-determination-of-material-subsidiary/</a>
Policy for determination of Materiality of Events and Information	<a href="https://www.tvsscs.com/policy-for-determination-of-materiality-of-events-and-information/">https://www.tvsscs.com/policy-for-determination-of-materiality-of-events-and-information/</a>
Policy on Archival of Documents	<a href="https://www.tvsscs.com/policy-on-archival-of-documents/">https://www.tvsscs.com/policy-on-archival-of-documents/</a>
Policy on Preservation of Documents Records	<a href="https://www.tvsscs.com/policy-on-preservation-of-documents-records/">https://www.tvsscs.com/policy-on-preservation-of-documents-records/</a>

## B. DISCRETIONARY REQUIREMENTS:

Your Company has fulfilled the following discretionary requirements:

**Shareholder Rights:** Your Company has been disseminating quarterly, half- yearly and annual financial performance including material event disclosures periodically through Stock Exchanges and website of the Company.

**Reporting of internal auditor:** The Internal Auditors of the Company make presentations to AC on their reports on a regular basis.

**Unmodified Audit opinion(s):** The Company confirms that its financial statements have unmodified audit opinions.

For and on behalf of the Board  
for **TVS Supply Chain Solutions Limited**

sd/-

**R Dinesh**

DIN: 00363300

Executive Chairman

**Place:** Chennai

**Date:** May 27, 2024



## Annexure 1

### DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

I, Ravi Viswanathan, Managing Director of the Company, hereby confirm that all the members of the Board and the Senior Management Personnel of the Company, have confirmed the compliance to the Code of Conduct of the Company, during the year ended March 31, 2024.

Place: Chennai  
Date: May 27, 2024

sd/-  
**Ravi Viswanathan**  
DIN: 08713910  
Managing Director

## Annexure 2

### CERTIFICATE ON CORPORATE GOVERNANCE FROM COMPANY SECRETARY IN PRACTICE

To  
The Members  
**TVS Supply Chain Solutions Limited,**  
10, Jawahar Road, Chokkikulam,  
Madurai, Tamil Nadu, 625002.

I have examined the compliance of the conditions of Corporate Governance by TVS Supply Chain Solutions Limited ("the Company") for the year ended March 31, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para-C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In my opinion and to the best of my information and according to the explanations and information given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations during the year ended March 31, 2024.

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

sd/-  
**K Venugopalan**  
Practicing Company Secretary  
Membership Number: 2526  
Certificate of Practice Number: 6015  
Peer Review Certificate Number: 4921/2023  
UDIN: F002526F000581742

Place: Chennai  
Date: 27.05.2024

## Annexure 3

### CERTIFICATE ON DIRECTORS FROM COMPANY SECRETARY IN PRACTICE

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

To  
The Members,  
**TVS Supply Chain Solutions Limited.**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. TVS Supply Chain Solutions Limited having CIN: L63011TN2004PLC054655 and having registered office at 10, Jawahar Road, Chokkikulam, Madurai, Tamil Nadu, 625002, India (herein after referred to as 'the Company'), produced before me by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company, as stated below for the financial year ended March 31, 2024, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.No	Name of the Director	DIN	Date of Appointment in Company
1	Sri. R Dinesh	00363300	16-11-2004
2	Sri. Tarun Khanna	01760700	16-05-2022
3	Sri. B Sriram	02993708	07-02-2022
4	Ms. Gauri Kumar	01585999	07-02-2022
5	*Sri. Narayan K Seshadri	00053563	29-08-2023
6	*Sri. K Ananth Krishnan	10278010	29-08-2023
7	Ms. Shobhana Ramachandhran	00273837	19-03-2015
8	Sri. Ravi Viswanathan	08713910	29-02-2020
9	Sri. Anand Kumar	00818724	07-02-2020
10	Sri. Ashish Kaushik	09289238	08-10-2021
11	#Sri. Mahalingam S	00121727	20-02-2015
12	##Sri. S Ravichandran	01485845	15-11-2013

\*Sri. K Ananth Krishnan and Sri. Narayan K Seshadri were appointed as Independent Director with effect from August 29, 2023

#Sri. Mahalingam S ceased to be the Chairman and Independent Director with effect from August 29, 2023

## Sri. S Ravichandran ceased to be director with effect from August 29, 2023

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

Place: Chennai  
Date: 27.05.2024

sd/-  
**K Venugopalan**  
Practicing Company Secretary  
Membership Number: 2526  
Certificate of Practice Number: 6015  
Peer Review Certificate Number: 4921/2023  
UDIN: F002526F000581709

## Annexure 4

### CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER CERTIFICATION

To,  
The Board of Directors  
**TVS Supply Chain Solutions Limited ("Company")**

We certify that as under:

- We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2024 and that to the best of our knowledge and belief we state that:
  - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we

- have not observed any deficiencies in the design or operation of such internal controls.
- We have indicated to the Auditors and Audit Committee that there were:
    - no significant changes in internal control over financial reporting during the FY24;
    - no significant changes in accounting policies during the FY24 and
    - no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Ravi Prakash Bhagavathula**  
Chief Financial Officer

**Ravi Viswanathan**  
Managing Director  
DIN: 08713910

Place: Chennai  
Date: May 27, 2024

## Business Responsibility and Sustainability Report

TVS Supply Chain Solutions Limited ("**TVS SCS**" and/or "**the Company**") as a public listed company, believes that sustainability is about fostering a shared future that promotes greater success and a more equitable society.

Our approach on sustainability is to focus on transparency, accountability, and continuous improvement.

The Business Responsibility and Sustainability Report ("**BRSR**") demonstrates this commitment by transparently communicating TVS SCS' performance and business practices to its stakeholders.

The BRSR signifies our unwavering commitment to integrating responsible business practices into our core operations and beyond. At TVS SCS, we believe that sustainability is not just a responsibility but a catalyst for long-term success and positive societal impact.

In this report, we aim to provide our stakeholders with a clear understanding of our sustainability journey, achievements and ongoing initiatives.

We invite you to explore how TVS SCS is shaping a sustainable future through innovation, collaboration, and a steadfast commitment to making a difference.

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

- Corporate Identity Number (CIN) of the Listed Entity:** L63011TN2004PLC054655
- Name of the Listed Entity:** TVS Supply Chain Solutions Limited
- Year of incorporation:** 2004
- Registered office address:** No. 10, Jawahar Road, Chokkikulam, Madurai – 625 002, Tamil Nadu, India
- Corporate address:** No.58, Eldams road, Teynampet Chennai – 600 018, Tamil Nadu, India
- E-mail:** [cs.compliance@tvsscs.com](mailto:cs.compliance@tvsscs.com)
- Telephone:** +91 44 66857777 (Corporate Office)
- Website:** [www.tvsscs.com](http://www.tvsscs.com)
- Financial year for which reporting is being done:** April 1, 2023 - March 31, 2024
- Name of the Stock Exchange(s) where shares are listed:** National Stock Exchange of India Limited and BSE Limited
- Paid-up Capital:** Rs. 44.06 Crores
- Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**

**Name:** P D Krishna Prasad (Company Secretary and Compliance Officer)

**Telephone:** +91 44 66857777 (Corporate Office)

**Email address:** [krishnaprasad@tvsscs.com](mailto:krishnaprasad@tvsscs.com)
- Reporting boundary** – Disclosures made in this report are on a "**Standalone Basis**."
- Name of assurance provider:** For the reporting period, external assurance is not applicable.
- Type of assurance obtained:** For the reporting period, external assurance is not applicable.



## II. Products/services

### 16. Details of business activities (accounting for 90% of the turnover):

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Income from supply chain management services	End-to-end supply chain services from sourcing and procurement to consultancy and product management solutions. Integrated solutions provider in terms of global forwarding solutions and time critical final mile solutions.	92%

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

S.No.	Product/Service	NIC Code	% of Total Turnover contributed
1	Supply Chain Management	492	92%

## III. Operations

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

Location	Number of plants	Number of offices	Total
National	196*	18	214
International	Nil	Nil	Nil

\*These are Operational Locations/Warehouse.

### 19. Markets served by the entity:

#### a. Number of locations

Locations	Number
National (No. of States)	28
International (No. of Countries)	0

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

Nil

#### c. A brief on types of customers

TVS SCS is among the fastest growing providers of integrated supply chain solutions among listed supply chain solutions companies in India in terms of revenues and offerings.

The Company manages large and complex supply chains across multiple industries in Indian markets through customised tech-enabled solutions for various customers.

The Company's solutions span the entire value chain from sourcing to consumption that includes procurement, transportation, in-plant logistics, aftermarket fulfilment and spare parts logistics.

The Company's transportation solutions include first-mile, long haul and last-mile deliveries through milk run, point - to point and cross dock, storage and redelivery models. The Company's solutions consist of all multimodal transportation solutions, i.e., air, road, and multi-modal, and operates vehicles primarily sourced from our network partners.

TVS SCS has the most varied customer base among key players in the supply chain industry in India. TVS SCS is differentiated from other supplier chain solutions providers with its unique global capabilities and network across the value chain with cross deployment abilities.

TVS SCS' customers span across various sectors including Automotive, FMCG, FMCD, Electronics & Durables, E-commerce, Telecom & IT, Textile & Apparel, Oil & Gas, cement, Retail, Engineering and capital goods, ITES, Renewable energy and Healthcare. TVS SCS serves 78 customers from the Fortune 500 list. Some of the key industries where the Company provides services are as follows:

Automotive & Manufacturing: We provide our Manufacturing & Automotive Customers with the Company's automotive-related solutions including aftermarket support, spare parts distribution, point of use feeding, Value-add assembly, kitting, and sequencing.

Consumer/FMCG/E-Commerce: The Company provides Consumer, FMCG & E - Commerce customers with complex FMCG supply chains as a 3PL/4PL service. These services include mainly warehousing, transportation, material handling solutions, and packaging. TVS SCS manages inventory, suppliers, transporters, orders, purchasing, and shipments – all from a single platform to fast-forward client business.

Telecom: TVS SCS has a set of customers in the Telecom industry to whom the Company provides engineering solutions for project implementation, network rollouts, operations, maintenance, and managed services solutions to meet our customers' operational and project requirements. TVS SCS has been serving several international OEMs, telecom and non-telecom service providers for managing project their end-to-end operations by clubbing all three logistics, warehousing and engineering services meeting Key Performance Indicators on a Service Level Agreement basis. Apart from the core telecom industry, today the Company is supporting health care, ATM, Point of sales- POS machines, IT industry- laptop/desktop/printers, Network equipment- servers, routers, switches, etc., some of the best international quality and safety standards.

## IV. Employees

### 20. Details as at the end of Financial Year:

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

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	3605	3359	93%	246	7%
2.	Other than Permanent (E)	10	7	70%	3	30%
3.	Total Employees (D+E)	3615	3366	93%	249	7%
WORKERS						
4.	Permanent (F)	1813	1769	98%	44	2%
5.	Other than Permanent (G)	6725	6288	94%	437	6%
6.	Total workers (F + G)	8538	8057	94%	481	6%

#### b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent* (D)	2	2	100%	0	0%
2.	Other than Permanent** (E)	0	0	0%	0	0%
3.	<b>Total differently abled employees (D + E)</b>	<b>2</b>	<b>2</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than permanent (G)	0	0	0%	0	0%
6.	<b>Total differently abled workers (F + G)</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

\*Permanent employees comprise of full-time employees and probationers on the payroll of TVS SCS.

\*\*Other than permanent employees include consultants.

### 21. Participation/Inclusion/Representation of women

Category	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	10	2	20%
Key Management Personnel	4*	NIL	0%

\*Includes Executive Chairman and Managing Director.

## 22. Turnover rate for permanent employees and workers

Category	FY 2023 – 2024			FY 2022 - 2023			FY 2021 - 2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	29%	34%	30%	24%	38%	25%	24%	36%	25%
Permanent Workers	9%	11%	9%	8%	11%	8%	8%	10%	8%

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

### 23. (a) Names of holding/subsidiary/associate companies/joint ventures as on March 31, 2024

S. No.	Name of the holding/subsidiary/associate companies/ Joint Venture	Indicate whether holding/Subsidiary/ Associate/Joint Venture	%of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	TVS Supply Chain Solutions Philippines Corporation	Subsidiary	100%	No
2	TVS SCS Logistics (Thailand) Ltd.	Subsidiary	100%	No
3	TVS SCS Global Freight Solutions Limited	Subsidiary	100%	No
4	Flexol Packaging (India) Limited	Subsidiary	100%	No
5	White Data Systems India Private Limited	Subsidiary	100%	No
6	SPC International (India) Private Limited	Subsidiary	100%	No
7	Pan Asia Freight Forwarding & Logistics India Private Limited	Subsidiary	100%	No
8	TVS Packaging Solutions Private Limited	Subsidiary	100%	No
9	Fit 3pl Warehousing Private Limited	Subsidiary	100%	No
10	TVS Logistics Investment UK Ltd.	Subsidiary	100%	No
11	TVS SCS (Siam) Limited	Subsidiary	100%	No
12	TVS Supply Chain Solutions Pte. Ltd., Singapore	Subsidiary	100%	No
13	TVS Logistics Investments USA Inc.	Subsidiary	100%	No
14	TVS Supply Chain Solutions North America, Inc.	Subsidiary	100%	No
15	TVS Supply Chain Solutions Limited, UK	Subsidiary	100%	No
16	Rico Logistics Pty Ltd., Australia	Subsidiary	100%	No
17	TVS Logistics Iberia, S.L.U	Subsidiary	100%	No
18	TVS Supply Chain Solutions GmbH	Subsidiary	100%	No
19	TVS Supply Chain Solutions Australia Holdings Pty. Ltd.	Subsidiary	100%	No
20	TVS Supply Chain Solutions de Mexico S.A. de C.V.	Subsidiary	100%	No
21	TVS Transport Solutions, LLC.	Subsidiary	100%	No
22	T.I.F. Holdings Pty Ltd.	Subsidiary	100%	No
23	Ricochet Spain S.L.	Subsidiary	100%	No
24	RICO Logistique France, Societe a responsabilité limitée á associe unique	Subsidiary	100%	No
25	SPC International Limited, UK	Subsidiary	100%	No
26	Rico Logistics Limited, UK	Subsidiary	100%	No
27	TriTec Computer Support Limited, Northern Ireland	Subsidiary	100%	No
28	TriTec Support Limited, Ireland	Subsidiary	100%	No
29	TVS SCS (Aust) Pty. Ltd.	Subsidiary	100%	No
30	KANH Nominees Pty Ltd.	Subsidiary	100%	No
31	TVS SCS New Zealand Limited	Subsidiary	100%	No
32	SPC International (Engineering) Limited	Subsidiary	100%	No
33	Pitcomp 171 Limited	Subsidiary	100%	No

S. No.	Name of the holding/subsidiary/associate companies/ Joint Venture	Indicate whether holding/Subsidiary/ Associate/Joint Venture	%of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
34	SPC EBT Trustees Limited	Subsidiary	100%	No
35	SPC Int Limited, UK	Subsidiary	100%	No
36	SPC International Inc.	Subsidiary	100%	No
37	SPC International s.r.o., Slovakia	Subsidiary	100%	No
38	TVS SCS International Freight (Thailand) Limited	Subsidiary	100%	No
39	Transtar International Freight Sdn. Bhd. Malaysia	Subsidiary	100%	No
40	Peter Thomas & Co. (Refurbishing) Limited	Subsidiary	100%	No
41	TVS SCS International Freight (Spain), S.L.U.	Subsidiary	100%	No
42	TVS SCS International Pte. Ltd.	Subsidiary	100%	No
43	TVS SCS Singapore Pte. Ltd.	Subsidiary	100%	No
44	TVS SCS Logistics Ltd., China	Subsidiary	100%	No
45	TVS SCS Korea Ltd.	Subsidiary	100%	No
46	TVS SCS Logistics Management (Thailand) Limited	Subsidiary	100%	No
47	TVS SCS Hong Kong Limited	Subsidiary	100%	No
48	Pan Asia Container Line Pte Limited, Hong Kong	Subsidiary	100%	No
49	TVS SCS Deutschland GmbH	Subsidiary	100%	No
50	TVS SCS Taiwan Limited	Subsidiary	100%	No
51	TVS America Inc.	Subsidiary	100%	No
52	TVS Packaging Solutions, Inc.	Subsidiary	100%	No
53	TVS SCS Rico Italia, S.R.L., Italy	Subsidiary	100%	No
54	Eltec IT Services, S.L. U	Subsidiary	100%	No
55	Triage Holdings Limited	Subsidiary	100%	No
56	Triage Services Limited	Subsidiary	100%	No
57	OrderLogic Limited	Subsidiary	100%	No
58	TVS Supply Chain Solutions (Thailand) Limited	Subsidiary	100%	No
59	TVS Supply Chain Solutions Holdings Limited, Thailand	Subsidiary	100%	No
60	TVS SCS International Freight Hong Kong Limited	Subsidiary	100%	No
61	TVS SCS Malaysia Sdn. Bhd.	Subsidiary	100%	No
62	TVS SCS Vietnam Company Limited	Subsidiary	95%	No
63	PT TVS SCS, Indonesia	Subsidiary	90%	No
64	TVS Toyota Tsusho Supply Chain Solutions Limited	Subsidiary	60%	No
65	TVS Autoserv GmbH	Subsidiary	51%	No
66	TVS Industrial and Logistics Parks Private Limited	Joint Venture	25%	No

## VI. CSR Details

### 24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Rs.): 1938.27 Crores

(iii) Net worth (in Rs.): 2560.42 Crores

However, the average net profit of TVS SCS made during the three (3) immediately preceding financial years is negative and hence, TVS SCS is not statutorily required to spend any amount on CSR activities for the financial year 2023-24.



## VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No). If yes, then provide web link for grievance redressal policy	FY 2023 - 2024			FY 2022 - 2023		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities*	No	NA	NA		NA	NA	
Investors (Other than shareholders)	Yes, they can contact the contact person as made available at <a href="https://www.tvsscs.com/investor-relations/">https://www.tvsscs.com/investor-relations/</a>	0	0		NA	NA	
Shareholders	Yes, they can report to the contact person at <a href="https://www.tvsscs.com/investor-relations/">https://www.tvsscs.com/investor-relations/</a>	201**	1		NA	NA	
Employees and workers	Yes (Code of Business Conduct & Whistle blower policy): <a href="https://tvsscs.com/wp-content/uploads/2022/06/TVS-SCS-Whistleblower-Policy-V1.pdf">https://tvsscs.com/wp-content/uploads/2022/06/TVS-SCS-Whistleblower-Policy-V1.pdf</a>	9	0		0	0	
Customers	Yes, The Company's customers can register grievances at <a href="mailto:customer.support@tvsscs.com">customer.support@tvsscs.com</a>	140	17		105	NIL	
Value Chain Partners***	No	NA	NA	NA	NA	NA	NA

\* TVS SCS is deeply integrated with urban and rural communities surrounding the Company's operations premises. Through attentive listening mechanisms, the Company actively assess, and address community needs in alignment with the Company's management principles.

\*\* In relation to IPO of the Company

\*\*\* TVS SCS Business Contacts/Value Chain Partners have direct contact with the Company's Finance/Procurement/Operations team. In case of grievances, the Business Contacts/Value Chain Partners can reach out to them directly and such issues are addressed/resolved on an immediate basis.

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity. (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (indicate positive or negative implications)
1	Employee Health, Safety and Wellbeing	Risk	Both vehicular movement and warehouse management have risk of possible injuries. It is imperative therefore for the Company to provide a safe working space for all the employees.	<ul style="list-style-type: none"> <li>Ensuring highest standards of health and safety of employees through our EHS policy and strict adherence to the same.</li> <li>Improved training initiatives to avoid accidents.</li> <li>Ensuring wellbeing through undertaking of various programs.</li> </ul>	Negative: Impact on the Company's reputation and employees & partners' trust in the organisation.
2	Climate Change, Emissions	Risk	As a supply chain solutions provider with transportation solutions in the service portfolio, the Company's operations generate emissions.	<ul style="list-style-type: none"> <li>Mapping Scope 1,2 and 3 emissions and setting up targets with action plan for mitigation.</li> <li>Estimation of GHG intensity as part of footprint estimate and identification of projects to reduce the footprint.</li> <li>The Company's operations teams are consistently exploring opportunities to invest in Green Technologies as part of the target to reduce the carbon footprint.</li> </ul>	Negative: Failure to meet emissions expectations can impact reputation and / or affect access to capital markets. Measures to make organisations accountable for their GHG emissions may increase operating costs.
3	Energy Management	Opportunity	The Company's operations across several facilities result in energy intensity. With increasing energy expenses and decarbonisation requirements, the Company is looking at how operations can be streamlined to reduce the energy expenses.	<ul style="list-style-type: none"> <li>The Company is consistently looking at how it can incorporate renewables and clean energy into the Company's operations to reduce energy footprint and make the operations greener.</li> <li>The Operations teams are looking for measures to reduce the energy intensity. These means will help us both reduce the energy and carbon footprint.</li> </ul>	Positive: Improved energy efficiency will help to reduce our energy expenses.
4	Human Rights	Risk	The logistics and supply chain industry are fragmented and consists of several touch points where there is a potential for human rights concerns.	<ul style="list-style-type: none"> <li>Human rights assessments are conducted at all the facilities.</li> <li>Training of internal and external stakeholders on human rights issues.</li> </ul>	Negative: Human Rights violations can result in an adverse impact on Company's reputation and/or regulatory action such as fines. Severe violations may result in potential loss of business.
5	Customer Relations & Satisfaction	Opportunity	Customer satisfaction was and continues to be one of our top priorities. It is important for us to position ourselves as a customer focused organisation by offering the Company's clients a wide range of choices, with best-in-class service while ensuring an outstanding value proposition across all the Company's business verticals.	<ul style="list-style-type: none"> <li>We have been tracking the Company's satisfaction score through Customer satisfaction surveys.</li> <li>Going ahead the Company will be implementing digital tools to enhance customer satisfaction through better customer management and customer protection.</li> </ul>	Positive: ensuring sustainable growth of the Company.

S. No.	Material issue identified	Indicate whether risk or opportunity. (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (indicate positive or negative implications)
6	Human Capital Development	Opportunity	The Company's employees are its greatest resources. The Company will be looking to empower them with all the resources, tools and opportunities to lead the Company.	<ul style="list-style-type: none"> <li>Invest in Talent retention.</li> <li>Provide the resources for the employees to learn and improve while working and discover diverse growth opportunities internally.</li> <li>Champion diversity and inclusion by providing equal opportunities for all.</li> <li>Provide cutting edge training and skills development incorporating tools to boost productivity.</li> <li>Create a fair performance appraisal and Incentives system that promotes the identification and growth of internal talent.</li> </ul>	Positive: Enable the Company to attract world class talent looking to help the Company on its growth trajectory.
7	Corporate Governance	Opportunity	A strong corporate governance is key to achieve the organisation's purpose while ensuring risk mitigation that is key to ensuring stakeholders long term growth.	<ul style="list-style-type: none"> <li>Analysing ESG risks as part of the Company's enterprise risk management framework.</li> </ul>	Positive: Ensure long term value creation for shareholders by minimising business continuity risk.
8	Innovation and Product Stewardship	Opportunity	Innovation and Product stewardship ensures that the Company can offer the most efficient and cost-effective solutions for the Company's clients while ensuring higher uptime levels.	<ul style="list-style-type: none"> <li>Incorporating sustainability into the innovation assessment process.</li> <li>Collaborating with the Company's clients to offer innovative solutions to improve value chain sustainability.</li> </ul>	Positive: Enabling implementation of new technologies to improve competitiveness thereby helping the Company enhance profitability.
9	Brand Management	Opportunity	Brand Management will enable the Company to differentiate the offerings and provide add-on value to the customers.	<ul style="list-style-type: none"> <li>Increase sustainable brand appeal through innovative marketing techniques.</li> </ul>	Positive: Provide innovative product and service offerings for our clients thereby enhancing revenue growth opportunities.
10	Responsible Investment Practices	Opportunity	Identification of investment risks is key as we look to expand our footprint globally. As we are scaling the operations and increasing our presence globally, we may have to make significant investments. We recognise that it is very important to make investment in a responsible manner, identifying the risks and clearly plan for mitigations.	<ul style="list-style-type: none"> <li>Investment in research on new risks.</li> <li>Investments in sustainable financing and including sustainability risks.</li> </ul>	Positive: Can reduce risk profile of the Company's investments to lead to long term shareholder value.
11	Supply Chain Management	Opportunity	The Company's footprint expands across 400+ facilities. While TVS SCS begins its ESG transition, it is also key that we empower the Company's supply chain partners in this journey.	<ul style="list-style-type: none"> <li>Develop policy and set a target to ensure sustainable sourcing guidelines are met.</li> <li>Incorporate ESG into the Company's Supplier assessment.</li> <li>Developing and maintaining a strong supply chain by managing initiatives and strategies on responsible procurement practices.</li> </ul>	Positive: Reduce Supply Chain risk that can result in operations disruption.

S. No.	Material issue identified	Indicate whether risk or opportunity. (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (indicate positive or negative implications)
12	Community Relationship Management	Opportunity	Being a responsible organisation, the Company's relationship with the community is indispensable. It is key for the Company to implement community programs that can both benefit them as a society and continue to contribute to the nation's economic growth.	<ul style="list-style-type: none"> <li>Undertaking various initiatives such as Skill development &amp; village development program.</li> <li>Skill development directly contributing to human capital enhancement which is a crucial material topic.</li> <li>Village development program focusing on water management and biodiversity.</li> </ul>	Positive: Positive impact due to goodwill, reputation, and inclusive growth.
13	Data Privacy	Risk	With the growing levels of digitisation in the supply chain industry, data privacy, especially IT security for internal and external stakeholder data has become a business continuity challenge. The Company needs to constantly invest in technology and security upgrades to ensure that both the Company's and the customers data is secure.	<ul style="list-style-type: none"> <li>Policy for data collection, protection and privacy and enforcing adherence to it.</li> </ul>	Negative: Reputational damage, substantial fines, loss of business opportunities etc.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	1. Child Labour Policy 2. Forced/bonded Labour Prohibition Policy 3. Employee Advance Policy 4. Maternity Benefit Policy 5. Supplier Relationship Policy 6. Information Classification Policy 7. Management Direction for Information security 8. Global Data Privacy Policy 9. POSH (Prevention of Sexual Harassment) policy								

\*Policies 1-9 are internal policies and have been published on our Intranet.



Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
c.	Web Link of the Policies, if available	10. Whistle blower policy <a href="https://www.tvsscs.com/whistle-blower/">https://www.tvsscs.com/whistle-blower/</a>								
		11. Code of Business Conduct <a href="https://www.tvsscs.com/code-of-business-conduct-employees-senior-management/">https://www.tvsscs.com/code-of-business-conduct-employees-senior-management/</a> <a href="https://www.tvsscs.com/code-of-conduct-independent-director/">https://www.tvsscs.com/code-of-conduct-independent-director/</a>								
		12. Code of conduct on Prohibition of Insider Trading <a href="https://www.tvsscs.com/code-of-conduct-on-prohibition-of-insider-trading/">https://www.tvsscs.com/code-of-conduct-on-prohibition-of-insider-trading/</a>								
		13. Code of Fair Disclosures <a href="https://www.tvsscs.com/code-of-fair-disclosures/">https://www.tvsscs.com/code-of-fair-disclosures/</a>								
		14. Policy for determination of Materiality of Events and Information <a href="https://www.tvsscs.com/policy-for-determination-of-materiality-of-events-and-information/">https://www.tvsscs.com/policy-for-determination-of-materiality-of-events-and-information/</a>								
		15. Related Party Transactions Policy <a href="https://www.tvsscs.com/related-party-transactions-policy/">https://www.tvsscs.com/related-party-transactions-policy/</a>								
		16. Risk Management Policy <a href="https://www.tvsscs.com/risk-management-policy/">https://www.tvsscs.com/risk-management-policy/</a>								
		17. Policy for Determination of Material Subsidiary <a href="https://www.tvsscs.com/policy-for-determination-of-material-subsidiary/">https://www.tvsscs.com/policy-for-determination-of-material-subsidiary/</a>								
		18. Global CSR Policy <a href="https://www.tvsscs.com/global-csr-policy/">https://www.tvsscs.com/global-csr-policy/</a>								
2.	Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	N	N	Y	N	Y	N	N	N	Y
4.	Name of the national and international codes/ certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001, UNGC Principles, UN SDGs, National Guidelines on Responsible Business Conduct (NGRBC) (P1) ISO 9001:2015 (P1, P2, P3, P4, P6, P7, P8, P9) ISO 14001:2015 (P4) ISO 45001:2018 (P5) ISO 27001:2013 (P9)								
<b>Policy and management processes</b>										
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	In the current financial year, TVS SCS has stepped into its Sustainability journey, with the first target to publish its BRSR report.  As part of its ESG strategy, it has completed identifying its material risks and opportunities. TVS SCS has also officially rolled out its ESG Vision Statement <b>“Leveraging the Power of Us for a Sustainable Planet”</b> . This year, the focus will be to disclose its ESG goals, targets and other Key Performance Indicators.								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Performance shall be measured once the goals, targets and Key Performance Indicators are finalised.								
Disclosure Questions										
<b>Governance, leadership and oversight</b>										
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.  TVS SCS has always been guided by its vision to become a global leader in the Supply Chain industry. Since its inception, TVS SCS has worked in line with the interests of the Environment and Society.  As a supply chain company, TVS SCS is also constantly looking for means and measures to reduce its carbon footprint. It is working with its various supply chain partners to embrace new technologies that increase operational efficiency and reduce its carbon footprint.  TVS SCS remains committed to overcoming challenges, setting ambitious targets, and continuing its journey towards enhancing ESG performance and creating lasting value for all stakeholders.	Managing Director								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Managing Director								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, the Risk Management Committee will oversee and make decisions.								

## 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Performance against policies is tracked and reviewed by HR, Legal and Secretarial and IT teams on a need basis. Recommendations (if any) and amendments to the policies are submitted to the Board of Directors for approval.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	TVS SCS is materially compliant to the applicable statutory requirements.								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	TVS SCS is currently in the process of identifying an independent external agency for assessment/evaluation of the policies.								

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

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

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.****Essential Indicators****1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	5	<ul style="list-style-type: none"><li>Familiarisation programmes.</li><li>Insider trading modules.</li></ul>	100%
Key Managerial Personnel	4	<ul style="list-style-type: none"><li>Session on Insider Trading.</li><li>Code of Business Conduct &amp; Whistleblower Training.</li><li>Information Security Awareness.</li></ul>	100%
Employees other than BoD and KMPs	16*	<ul style="list-style-type: none"><li>Code of Business Conduct &amp; Whistle blower Training.</li><li>Prevention of Sexual Harassment Awareness Training.</li><li>Information Security awareness.</li><li>New Joiners Induction.</li><li>Safety Awareness Training.</li></ul>	100%
Workers	4296**	<ul style="list-style-type: none"><li>Code of Business Conduct &amp; Whistleblower Training.</li><li>Prevention of Sexual Harassment.</li><li>New Joiners Induction.</li><li>Safety Awareness Training.</li></ul>	100%

\*For Employees: Each online program delivered through LMS is considered as 1 session.

\*\*For Workers, Safety awareness offline sessions - 4200 and Induction/Code of Business Conduct sessions - 96

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

No fines/penalties/punishments have been passed against the Company which are material in nature.

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

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

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

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

Yes

If yes, provide details in brief

TVS SCS' Code of Business Conduct is a comprehensive policy document which sets certain principles and guidelines for the employees to adhere to while dealing with external parties. This document mandates performing the duties by complying with all the applicable laws and regulations, including anti-bribery, money laundering and conflict of interest. It also deals with various sections such as gifting, contributions to political parties etc. This document sets the expectations for our employees regarding their behaviour and business dealings.

If available, provide a web-link to the policy.

<https://www.tvsscs.com/code-of-business-conduct-employees-senior-management/>

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

Particulars	FY 2023 - 2024	FY 2022 - 2023
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

Particulars	FY 2023 - 2024		FY 2022 - 2023	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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

Not applicable.

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

Parameter	FY 2023 - 2024	FY 2022 - 2023
Number of days of accounts payables	127	161

9. Open-ness of business

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

Parameter	Metrics	FY 2023 - 2024	FY 2022 - 2023
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0.9%	0.6%
	b. Number of trading houses where purchases are made from	51	51
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	85%	71%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	NA	NA
	a. Number of dealers/ distributors to whom sales are made	NA	NA
	b. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	1%	1%
	b. Sales (Sales to related parties/Total Sales)	6%	7%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	100%	100%
	d. Investments (Investments in related parties/Total Investments made)	99%	96%

\*Trading Houses have been defined here as businesses working with different kind of products which are sold for business purposes.

## Leadership Indicators

1. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

TVS SCS has in place a 'Policy on Related Party Transactions', which are applicable to our Board members. Transactions with the Board members or any entity in which such Board members are concerned or interested are required to be approved by the Audit Committee and the Board of Directors pursuant to provisions of Companies Act, 2013 and SEBI listing regulations.

The web link of the policy is <https://www.tvsscs.com/related-party-transactions-policy/>



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

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

Parameter	FY 2023 - 2024	FY 2022 - 2023	Details of improvements in environmental and social impacts
R&D	NA	NA	NA
Capex	21% of the total Capex expenditure	14% of the total Capex expenditure	We have started investing in recyclable/reusable pallets

2. **a. Does the entity have procedures in place for sustainable sourcing?**

No, we are in the process of formulating a policy for sustainable sourcing and setting up procedures for the same.

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

Not applicable.

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

TVS SCS is a supply chain service provider and is not into the production of finished goods. Hence, TVS SCS is not involved in reusing, recycling and disposing the products.

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

Not applicable.

**Leadership Indicators**

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

Not applicable.

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

Not applicable.

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

Not applicable. TVS SCS is a supply chain services provider and is not into manufacturing into any products.

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

Not applicable. TVS SCS is a supply chain services provider and is not into manufacturing into any products.

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

Not applicable.

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

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	3359	1063	32%	3359	100%	0	0%	0	0%	0	0%
Female	246	57	23%	246	100%	246	100%	0	0%	0	0%
Total	3605	1120	31%	3605	100%	246	7%	0	0%	0	0%
Other than Permanent employees											
Male	7	0	0%	0	0%	0	0%	0	0%	0	0%
Female	3	0	0%	0	0%	0	0%	0	0%	0	0%
Total	10	0	0%	0	0%	0	0%	0	0%	0	0%

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	1769	418	24%	1769	100%	0	0%	0	0%	0	0%
Female	44	12	27%	44	100%	44	100%	0	0%	0	0%
Total	1813	430	24%	1813	100%	44	2%	0	0%	0	0%
Other than Permanent Workers											
Male	6288	0	0%	6288	100%	0	0%	0	0%	0	0%
Female	437	0	0%	437	100%	437	100%	0	0%	0	0%
Total	6725	0	0%	6725	100%	437	6%	0	0%	0	0%

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

Parameter	FY 2023 - 2024	FY 2022 - 2023
Cost incurred on well-being measures as a % of total revenue of the Company	0.35%	0.34%

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

Benefits	FY 2023 - 2024			FY 2022 - 2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	NA	100%	100%	NA
ESI	26%	82%	Yes	35%	85%	Yes
Others - Superannuation	0.6%		NA	0.5%		NA

**3. Accessibility of workplaces**

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

Some of the offices and warehouses of TVS SCS are accessible to differently abled employees.

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

Yes, TVS SCS has established an equal opportunity policy committed to providing equal employment opportunities for all its employees. The Company has established a policy to ensure zero discrimination on the basis of age, disability, gender, marital status, race, religion, and other grounds.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	N/A	N/A	N/A	N/A
Female	67%	80%	100%	100%
<b>Total</b>	<b>67%</b>	<b>80%</b>	<b>100%</b>	<b>100%</b>

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

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, TVS SCS recognises that the early detection and reporting of wrongdoing depends on maintaining a culture of openness, trust, and integrity in which employees are encouraged to report actual or potential wrongdoing as soon as possible.
Other than Permanent Workers	
Permanent Employees	To report the issue and raise concerns following are the options: <ul style="list-style-type: none"><li>Discuss with the direct manager/supervisor.</li><li>Contact human resources or compliance or legal department representatives.</li><li>Use the email address: <a href="mailto:ethics.help@tvsscs.com">ethics.help@tvsscs.com</a> for reporting purposes.</li></ul> Further details are mentioned in the Code of Business Conduct and Whistle Blower Policy.
Other than Permanent Employees	

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

Category	FY 2023 - 2024			FY 2022 - 2023		
	Total employees/workers in respective category (A)	No. of employee/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	<b>3605</b>	<b>Nil</b>	<b>0%</b>	<b>3892</b>	<b>Nil</b>	<b>0%</b>
- Male	3359	Nil	0%	3629	Nil	0%
- Female	246	Nil	0%	263	Nil	0%
<b>Total Permanent Workers</b>	<b>1813</b>	<b>874</b>	<b>48%</b>	<b>1885</b>	<b>898</b>	<b>48%</b>
- Male	1769	874	49%	1794	898	50%
- Female	44	0	0%	91	0	0%

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

	FY 2023 – 2024					FY 2022 - 2023				
Category	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	3366	2812	84%	2855	85%	3637	2823	78%	2152	59%
Female	249	197	79%	209	84%	266	212	80%	162	61%
Total	3615	3009	83%	3064	85%	3903	3035	78%	2314	59%
Workers										
Male	8057	1379	17%	1769	22%	8371	1399	17%	1794	21%
Female	481	34	7%	44	9%	388	71	18%	91	23%
Total	8538	1413	17%	1813	21%	8759	1470	17%	1885	22%

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

Category	FY 2023 - 2024			FY 2022 - 2023		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	3366	3301	98%	3637	3458	95%
Female	249	174	70%	266	182	68%
<b>Total</b>	<b>3615</b>	<b>3475</b>	<b>96%</b>	<b>3903</b>	<b>3640</b>	<b>93%</b>
<b>Workers</b>						
Male	8057	688	9%	8371	681	8%
Female	481	52	11%	388	51	13%
<b>Total</b>	<b>8538</b>	<b>740</b>	<b>9%</b>	<b>8759</b>	<b>732</b>	<b>8%</b>

**10. Health and safety management system:****a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No).**

Yes, occupational health and safety management system has been implemented by TVS SCS.

If yes, the coverage of such system?

TVS SCS has set up a Quality, Environment and Health and Safety Policy (QHSE Policy) which shall endeavour to maintain a safe, healthy, pollution free working environment, reduce the environmental impact of our activities and services through optimal use of resources. Additionally, operations are certified under ISO 45001:2018 (Occupational Health and Safety Management System OHSMS) and ISO14001:2018 (Environment Management System (EMS).

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

The ISO 45001:2018 (Occupational Health and Safety Management System OHSMS) process is used to assess work related hazards and assess risks. Also, unsafe acts, unsafe conditions are reported which is used as a process by the entity to identify work-related hazards.

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

Yes, TVS SCS has formulated processes for workers to report the work-related hazards.

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

Yes. TVS SCS has a procedure for health checkups and medical support for employees as per its internal HR policy.



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

Safety Incident/Number	Category*	FY 2023 - 2024	FY 2022 - 2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.06	1.63
	Workers		
Total recordable work-related injuries**	Employees	60	53
	Workers		
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

\* Including in the contract workforce

\*\* No. of work-related injuries have increased as compared to FY23 because of the better reporting of incidents on the ground and the team is aligned to monitor & respond to each incident with utmost urgency

#### 12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

- Employee and worker awareness training programme;
- Daily briefing on Safety Measures;
- Online learning module for creating safe and Healthy workplace;
- Recognising top projects and warehouse with Zero hazards;
- Conducting Mock Safety Drill; and
- Conducting/Celebrating National Safety Day reiterating the importance of following the safety rules, regulations and measures.

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

Parameter	FY 2023 - 2024			FY 2022 - 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

#### 14. Assessments for the year:

Parameter	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	61%
Working Conditions	

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

Yes, based on identified safety incidents, appropriate actions are taken to create awareness to avoid recurrence of the incidents.

#### Leadership Indicators

##### 1. Does the entity extend any life insurance or any compensatory package in the event of death of

- Employees (Y/N) – Yes
- Workers (Y/N) – Yes

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

Yes, the Company's contracts with the value chain partners contain clauses relating to compliances with applicable laws in relation to payment of wages, working hours, human rights. The Company has set up internal controls wherein the finance team ensures that the value chain partners comply with the required dues for ESI, PF and GST.

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

Category	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023 - 2024	FY 2022 - 2023	FY 2023 - 2024	FY 2022 - 2023
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

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

No

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

Parameter	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Not Done
Working Conditions	Not Done

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

Not applicable.

#### PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

##### Essential Indicators

##### 1. Describe the processes for identifying key stakeholder groups of the entity.

Engaging with stakeholders is our approach, emphasising collaboration to achieve benefits for Customers, the Company, and all involved in the operations and management of the Company. These stakeholders are pivotal for sustainable growth. Therefore, understanding and meeting their needs and aspirations are crucial aspects of the Company's service delivery process.

Throughout the year, TVS SCS conducted a thorough exercise to comprehensively engage all stakeholders, ensuring that the process added substantial value both to TVS SCS and to each stakeholder group. TVS SCS tailored the approach by dividing stakeholders into sub-groups based on business verticals/functions and their roles in delivering exceptional customer service.

Stakeholder engagement is undertaken with the objective of catering to the needs and expectations of the various stakeholders of TVS SCS. The key stakeholder groups both internal and external to the entity are identified based on the nature of operations of the Company which includes Employees and Workers, Shareholders, Investors, Customers, Suppliers, Vendors, etc.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors (other than shareholders)	No	1. Annual Report 2. Press Release 3. TVS SCS Website 4. Statutory & voluntary disclosures	As per requirement	
Shareholders	No	1. Annual Report 2. Press Release 3. TVS SCS Website 4. Statutory & voluntary disclosures 5. Investor Presentation & earnings call	Annually & Quarterly	1. To keep Investors and shareholders updated about the TVS SCS progress and macro developments.
Customers	No	1. Customer satisfaction surveys 2. Customer Meetings 3. Email	Regularly	1. To evaluate our performance, identify lead and lag indicators and formulate plans to offer best in class service to our customers.
Suppliers	No	1. Supplier Evaluation Process 2. Email 3. Procurement Discussions	As per requirement	1. Performance Evaluation. 2. Compliance Assurance.
Employees	No	1. Emails 2. Trainings 3. Policies 4. Website 5. Intranet 6. Townhall 7. Magazines	Regularly	1. Identification of Employee needs. 2. Sourcing of employees challenges. 3. To keep our employees informed about our goals and progress.

### Leadership Indicators

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

Our aim is to ensure an effective and transparent communication channel is established that allows for meaningful stakeholder engagement and Board awareness. The process is currently being refined and tested to ensure it meets the needs of all parties involved. We are committed to creating a robust framework that supports effective consultation and meaningful Board engagement on these critical topics.

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

Yes, stakeholder consultation is used to support the identification and management of environmental and social topics. This year, TVS SCS conducted a comprehensive materiality assessment which involved extensive stakeholder consultations. These consultations were integral to identifying and setting targets for our Environmental, Social, and Governance (ESG) initiatives. During the stakeholder survey process, TVS SCS engaged with a diverse group of stakeholders including employees, customers, suppliers, investors and the board. Their feedback was crucial in understanding the key environmental and social issues that matter most to them and our business.

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

TVS SCS has formulated internal policies such as the Code of Business Conduct, and Prevention of Sexual Harassment Policy to ensure that everyone (including employees and workers) in the workplace is treated with respect and equality without any form of discrimination. POSH Policy has been made as a precautionary measure to ensure that no employee/worker faces any form of sexual harassment.

## PRINCIPLE 5: Businesses should respect and promote human rights

### Essential Indicators

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

Category	FY 2023 – 2024			FY 2022 – 2023		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	3605	3605	100%	3892	3892	100%
Other than permanent	10	10	100%	11	11	100%
<b>Total Employees</b>	<b>3615</b>	<b>3615</b>	<b>100%</b>	<b>3903</b>	<b>3903</b>	<b>100%</b>
<b>Workers</b>						
Permanent	1813	1813	100%	1885	1885	100%
Other than permanent	6725	6725	100%	6874	6874	100%
<b>Total Workers</b>	<b>8538</b>	<b>8538</b>	<b>100%</b>	<b>8759</b>	<b>8759</b>	<b>100%</b>

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

	FY 2023 – 2024					FY 2022 - 2023				
Category	Total (A)	Equal to Minimum Wage		More than Minimum wage		Total (D)	Equal to Minimum Wage		More than Minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
				Employees						
Permanent	3605	356	10%	3249	90%	3892	193	5%	3699	95%
Male	3359	331	10%	3028	90%	3629	178	5%	3451	95%
Female	246	25	10%	221	90%	263	15	6%	248	94%
Other than Permanent	10	0	0%	10	100%	11	0	0%	11	100%
Male	7	0	0%	7	100%	11	0	0%	6	100%
Female	3	0	0%	3	100%	11	0	0%	5	100%
				Workers						
Permanent	1813	227	13%	1586	87%	1885	127	7%	1758	93%
Male	1769	209	12%	1560	88%	1794	111	6%	1683	94%
Female	44	18	41%	26	59%	91	16	18%	75	82%
Other than Permanent	6725	3105	46%	3620	54%	6874	1100	16%	5774	84%
Male	6288	2942	47%	3346	53%	6577	1051	16%	5526	84%
Female	437	163	37%	274	63%	297	49	16%	248	84%

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

##### a. Median remuneration/wages:

Category	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	6	₹ 17,00,000	2	21,50,000
Key Managerial Personnel	4	₹ 2,41,00,565	NIL	NA
Employees other than BoD and KMP	3355	₹ 3,43,104	246	₹ 3,33,476
Workers	8057	₹ 2,27,784	481	₹ 2,26,548

\*Executive Chairman and Managing Director are considered as KMP



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

Category	FY 2023 - 2024	FY 2022 - 2023
Gross wages paid to females as % of total wages	6.8%	6.2%

**4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

Yes, Human Resources Department, Legal & Compliance Department are responsible for addressing human rights impact or issues caused or contributed to by the Business.

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

Employees can write to [ethics.help@tvsscs.com](mailto:ethics.help@tvsscs.com) to highlight any grievances related to human rights, post which a committee constituted, as per the instructions of our Global Chief Human Resources Officer and Global General Counsel, investigates the issues and takes appropriate action as per the standard operating procedure formulated for handling such complaints.

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

Category	FY 2023 - 2024			FY 2022 - 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	0	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other human rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

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

Particulars	FY 2023 - 2024	FY 2022 - 2023
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	NIL
Complaints on POSH as a % of female employees/workers	0.05%	NIL
Complaints on POSH upheld	NIL	NIL

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

TVS SCS will treat all disclosures under the whistle blower policy ("Policy") or Prevention of Sexual Harassment Policy ("POSH Policy") in an appropriate and sensitive manner. Every effort will be made to keep the identity in confidence and the identity will be revealed only on a 'need to know' basis in connection with investigation or resolving the concern or management action.

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

Yes, our contracts mandate that they should comply with the applicable laws and regulations including providing minimum wages, child labour prohibition, complying with the applicable labour laws.

**10. Assessments for the year:**

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

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

Not applicable as there have been no major risks or concerns which could result in material adverse impact.

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

Not applicable. During FY - 24, no business process was modified as a result of addressing human rights grievances/complaints.

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

None conducted.

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

Yes. Differently abled visitors have access to some of TVS SCS' offices and warehouses across India.

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

We are in the processing of formulating an audit mechanism to assess the value chain partners.

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

Not applicable.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment****Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Units	FY 2023 - 2024	FY 2022 - 2023
From non - renewable sources			
Total electricity consumption (A) (All India + COE) (MWh)	Tera Joules	4021	3276
Total fuel consumption (B)	Tera Joules	4	5
Energy consumption through other sources (C)	Tera Joules	0	0
<b>Total energy consumed (A+B+C)</b>	<b>Tera Joules</b>	<b>4025</b>	<b>3280</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed/ Revenue from operations)	TJ/INR	0.00000021	0.00000017
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed/Revenue from operations adjusted for PPP)	-	-	-
<b>Energy intensity in terms of physical output</b>	-	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-	-

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

None.

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

Not applicable.

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

Parameter	FY 2023 - 2024	FY 2022 - 2023
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	18,774	18,112
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>18,774</b>	<b>18,112</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>18,774</b>	<b>18,112</b>
<b>Water intensity per rupee of turnover</b> (Total water consumption/Revenue from operations)	0.00000097	0.00000093
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption/Revenue from operations adjusted for PPP)	-	-
<b>Water intensity in terms of physical output</b>	-	-
<b>Water intensity (optional)</b> – the relevant metric may be selected by the entity	-	-

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

No.

4. Provide the following details related to water discharged:

Parameter	FY 2023 - 2024	FY 2022 - 2023
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(ii) To Groundwater	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iii) To Seawater	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third parties	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(v) Others	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
<b>Total water discharged (in kilolitres)</b>	<b>Nil</b>	<b>Nil</b>

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

None.

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

Not applicable.

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

Currently, TVS SCS is in the process of refining its operational framework to effectively capture the detail of air emissions.

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

Parameter	Unit	FY 2023 - 2024	FY 2022 - 2023
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tCO <sub>2</sub> e	1352	1258
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tCO <sub>2</sub> e	793	646
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)	tCO <sub>2</sub> e/INR	0.00000011	0.000000098
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	NA	NA	NA
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	NA	NA	NA
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b> – the relevant metric may be selected by the entity	-	-	-

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

None

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

Yes, this year we are working on formulating various projects aimed at reducing our Greenhouse Gas (GHG) emissions. We are currently in the planning phase, developing comprehensive strategies and initiatives to address this critical issue. Once these projects are fully formulated, we will implement them internally to ensure their effectiveness and alignment with our broader environmental goals. Further details on these projects will be available as we finalise and roll them out.

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

Parameter	FY 2023 - 2024	FY 2022 - 2023
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	7	-
E-waste (B)	2	-
Bio-medical waste (C)	0	-
Construction and demolition waste (D)	0	-
Battery waste (E)	8	-
Radioactive waste (F)	0	-
Other Hazardous waste. Please specify, if any. (G)	0	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	6 (Metal and iron scraps) 53 (wooden scraps, paper, office furniture, paper, etc.)	-



Parameter	FY 2023 - 2024	FY 2022 - 2023
<b>Total (A+B + C + D + E + F + G + H)</b>	76	-
<b>Waste intensity per rupee of turnover</b> (Total waste generated/Revenue from operations)	0.000000004	-
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated/Revenue from operations adjusted for PPP)	NA	NA
<b>Waste intensity in terms of physical output</b>	NA	NA
<b>Waste intensity (optional)</b> – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Currently TVS SCS is in the process of refining its operational framework to effectively capture these details		

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

None.

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

In the Company's operations, waste management processes are limited to our warehousing operations. The key activities are limited to waste collection, segregation and disposal. All the e-waste is sold through registered, transparent mechanisms to authorised vendors. Meanwhile, a majority of the waste is non-hazardous in nature and insignificant in quantity.

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

None of our operations are in ecologically sensitive areas.

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

Not applicable. TVS SCS offers customised supply chain solutions across a diverse set of industries. TVS SCS does not work on projects that require environmental impact assessments.

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

Yes, TVS SCS is compliant to applicable environmental laws/regulations and guidelines to the extent applicable to its business operations

**Leadership Indicators**

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

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

- Name of the area
- Nature of operations
- Water withdrawal, consumption and discharge in the following format:

Not applicable as there is no facility/plant located in areas identified as water stress

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

Parameter	Unit	FY 2023 - 2024	FY 2022 - 2023
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tCO <sub>2</sub> e per year	1,19,289	-
<b>Total Scope 3 emissions per rupee of turnover</b>	tCO <sub>2</sub> e/INR	0.00000615	-
<b>Total Scope 3 emission intensity (optional)</b> – the relevant metric may be selected by the entity	-	-	-

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

None.

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

Not applicable.

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

Not applicable.

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

Yes, the purpose of TVS SCS's Business Continuity Plan("BCP")/Disaster Recovery ("DR") policy is to provide direction and general rules for the creation, implementation, and management of the TVS SCS Business Continuity Plan and Disaster Recovery Plan.

The Business continuity and disaster management plan is split into the following sections:

- The Business Continuity Plan is a proactive plan designed to ensure TVS SCS continues to deliver its service obligations in the event of all foreseen business disruptions. The focus of BCP is to ensure business continuity and hence connect all business functions of TVS SCS.
- DRP - Disaster Recovery Plan, A Disaster Recovery plan is the set of procedures designed and practiced to ensures that TVSSCS technology is capable of recovering as per business expectations from all known disruptions.
- Business Impact Analysis – Business Impact Analysis, is an assessment of the possibility of meeting service expectations as per contractual, regulatory and business requirements from various disaster scenarios to critical infrastructure components on which the business depends.

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

Not applicable.

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

Not applicable.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

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

TVS SCS has affiliations with three industry associations.

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

S.No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1	Confederation of Indian Industry	National
2	Madras Chamber of Commerce	State
3	International Market Assessment India Private Limited	National

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

None.

**Leadership Indicators**

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

None.

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

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

Not applicable.

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

Not applicable.

**3. Describe the mechanisms to receive and redress grievances of the community.**

We are deeply integrated with urban and rural communities surrounding our place of operations through attentive listening mechanisms, we actively assess, and address community needs in alignment with the Company's management principles.

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

Category	FY 2023 - 2024	FY 2022 - 2023
Directly sourced from MSMEs/small producers	65%	60%
Directly from within India	100%	100%

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

Location	FY 2023 - 2024	FY 2022 - 2023
Rural	18%	17%
Semi-urban	0%	0%
Urban	44%	43%
Metropolitan	38%	40%

**Leadership Indicators**

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

Not applicable.

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

Not applicable.

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

TVS SCS is in the process of formulating a preferential procurement policy.

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

Not applicable.

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

Not applicable.

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

Not applicable.

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicators**

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

- Customer can report their complaints to [customer.support@tvsscs.com](mailto:customer.support@tvsscs.com)
- TVS SCS' staff on behalf of their customer, reports the grievances on the designated email ID/ concerned personnel.
- Complaint Portal- Ticket auto logged in CCMS, auto acknowledgement mail to customer with Ticket Number.
- Service Desk assigns the ticket to concerned Single Point of Contact ("SPOC")/Key Account Manager ("KAM")/Warehouse ("WH") in charge.
- KAM/WH in charge will plan the resolution, set the timeline to resolve (based on the nature of complaint) and respond to service desk on email.
- Service Desk sends email to customer with resolution timeline planned and the TVS SCS Staff in charge of the case



- g. KAM/WH in charge to take necessary action to successfully resolve complaint and update resolution along with the action taken by replying to same mail.
- h. Complaint Portal- Ticket will get resolved & customer will receive the alert seeking his feedback on successful resolution (Yes/No). If the response is 'No' complaint will be reopened for further resolution tracking.
- i. Complaint Portal- For delayed resolution, escalation mechanism will be activated. Escalation mail will be triggered every 24 Hours to next levels (up to CEO of the respective region/entity).
- j. Complaint Portal- Post complaint resolution team will wait for 7 days for customer response, post which same will be closed in the portal.

**2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about Environmental and social parameters relevant to the product, Safe and responsible usage, Recycling and/or safe disposal:**

Since TVS SCS is not into manufacturing of any products, these provisions shall not applicable.

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

Category	FY 2023 - 2024		Remarks	FY 2022 - 2023		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil		Nil	Nil	
Advertising	Nil	Nil		Nil	Nil	
Cyber-security	Nil	Nil		Nil	Nil	
Delivery of essential Services	Nil	Nil		Nil	Nil	
Restrictive Trade Practices	Nil	Nil		Nil	Nil	
Unfair Trade Practices	Nil	Nil		Nil	Nil	
Other	140	17		105	Nil	

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

Not applicable.

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

Yes, TVS SCS has framed and implemented its policies on cyber security and data privacy. These policies also address the other digital risks including access to confidential and sensitive data. These policies are available on the Company's Intranet for its employees.

TVS SCS manages information security in conformance with the ISO 27001 standard.

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

Not applicable.

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

- a. Number of instances of data breaches – NIL
- b. Percentage of data breaches involving personally identifiable information of customers – NIL
- c. Impact, if any, of the data breaches - Not applicable

**Leadership Indicators**

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

TVS SCS transparently discloses and shares the information of its services to all its stakeholders (including website visitors, prospective customers etc.). TVS SCS' website has a designated segment on its technology systems, value-add services and technology infrastructure. Web link to access TVS SCS Website: [www.tvsscs.com](http://www.tvsscs.com)

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

Not applicable.

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

The business continuity plan includes communication strategies for communications both inside and outside the organisation in the event of any form of disruption/discontinuation.

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

TVS SCS is in the service sector and does not manufacture any products. Hence, the displaying of product information is not applicable.

In relation to customer satisfaction, yes, the Company conducts periodic customer satisfaction surveys on operational parameters.

## Notice

**NOTICE** is hereby given that the Twentieth Annual General Meeting ("AGM") of the members of the Company will be held on Friday, August 9, 2024, at 3.00 P.M. (IST) through Video Conferencing and other audio-visual means ("VC/OAVM"), to transact the following business:

### ORDINARY BUSINESS:

#### 1. Adoption of Standalone Financial Statements

To receive, consider and adopt the audited Standalone Financial Statements of the Company for the year ended March 31, 2024, together with the reports of the Board of Directors and the Auditors thereon.

#### 2. Adoption of Consolidated Financial Statements

To receive, consider and adopt the audited Consolidated Financial Statements of the Company for the year ended March 31, 2024, together with the report of the Auditors thereon.

#### 3. Re-appointment of Directors Retiring by Rotation

- To appoint Ms. Shobhana Ramachandhran (DIN: 00273837), Non -Executive Director, who retires by rotation and being eligible, offers herself for reappointment.
- To appoint Sri. Ashish Kaushik (DIN: 09289238), Non -Executive Director, who retires by rotation and being eligible, offers himself for reappointment.

(By the Order of Board)  
For TVS Supply Chain Solutions Limited

Date: May 27, 2024  
Place: Chennai

P D Krishna Prasad  
Company Secretary

#### TVS Supply Chain Solutions Limited

CIN: L63011TN2004PLC054655  
10, Jawahar Road, Chokkikulam,  
Madurai, 625002  
[cs.compliance@tvsscs.com](mailto:cs.compliance@tvsscs.com)  
[www.tvsscs.com](http://www.tvsscs.com)

### Notes:

- The Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI'), in compliance with the provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation, 2015, as amended ('SEBI Listing Regulations'), permitted the holding of the AGM through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Act read with the circulars issued, the AGM of the Company is being held through VC/ OAVM mode. Further, in accordance with the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('ICSI') read with guidance and clarification issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Corporate Office of the Company at 58, Eldams Road, Teymapet, Chennai - 600018, which shall be the deemed venue of the AGM.
- Since this AGM is being held through VC/ OAVM pursuant to the MCA circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the proxy form and attendance slip are not annexed to this Notice.
- Members of the Company under the category of Institutional/ Corporate Members (i.e., other than Individuals, HUF, NRI, are required to submit a scanned copy (PDF / JPG format) of the relevant Board or governing body resolution / authorisation letter, together with attested specimen signature(s) of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutiniser, Ms. Nithya Pasupathy, Practicing Company Secretary of SPNP & Associates ([nithya@prowiscorporate.com](mailto:nithya@prowiscorporate.com)) ("Scrutiniser") with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Such authorisation should contain necessary authority in favour of its authorised representative(s) to attend the AGM.
- In compliance with the MCA circulars and SEBI Listing Regulations, Notice of the AGM along with

the Annual Report 2023-24 is being sent only through electronic mode to those members whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants ("DP/DP's") / Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website at <https://www.tvsscs.com>, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at <https://www.bseindia.com/> and <https://www.nseindia.com/>, respectively, on the website of Company's Registrar and Transfer Agent, Link Intime India Private Limited ("RTA") at <https://linkintime.co.in/> and on the website of NSDL <https://www.evoting.nsdl.com/>

- Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act. Subject to receipt of requisite number of votes, the resolutions, shall deemed to be passed on the date of the AGM, i.e. Friday, the August 9, 2024.
- Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.
- Pursuant to Section 152 of the Act, Ms. Shobhana Ramachandhran (DIN: 00273837), and Sri. Ashish Kaushik (DIN: 09289238), Non- Executive Directors, as retiring by rotation, and being eligible, offered themselves for re-appointment. The relevant details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings issued by ICSI, in respect of the Directors seeking re-appointment at this AGM are annexed to this Notice.
- The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and the relevant documents referred to in the Notice will be available, electronically, for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for inspection at the Corporate Office of the Company at 58, Eldams Road, Teymapet, Chennai 600018, from the date of circulation of this Notice up to the date of AGM.
- Members who would like to express their views/ ask questions on the items of the businesses to be transacted at AGM precisely and in brief, in advance and may express the same through any of the following options:
  - Members may send their views/questions in advance, mentioning their name, DP ID and

Client ID/folio number, PAN, mobile number to [cs.compliance@tvsscs.com](mailto:cs.compliance@tvsscs.com) on or before, Friday, August 2, 2024 5.00 p.m. (IST). The same will be replied by the Company suitably depending upon availability of time as appropriate for smooth conduct of the AGM.

- Members may register themselves as speaker during the AGM with regard to any items of business to be transacted at the AGM, by sending their request from their registered e-mail address mentioning their name, demat account number/folio number, email ID, mobile number to [cs.compliance@tvsscs.com](mailto:cs.compliance@tvsscs.com) between Monday, July 29, 2024 to Friday, August 2, 2024. Only those Members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
- As per SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form.
  - In order to receive the statutory communications on time, the Company requests:
    - The members who are holding shares in physical mode to update their valid e mail id's with the RTA at <https://linkintime.co.in/> and.
    - The members/ beneficial owners holding shares in dematerialised form are requested to update their valid e mail id's with the respective DP's from time to time.
  - The members holding shares in physical mode are requested to lodge/notify the communication for change of address, bank details, ECS details, wherever applicable, mandates (if any) with the Company's RTA by sending e-mail to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
  - The members/ beneficial owners holding shares in electronic form are requested to update user profile details to their DP's and not to the Company or RTA of the Company, as the Company is obliged to use only the data provided by the Depositories.
  - In case of joint holders, the member whose name appears as the first holder in the order of names



as per the Register of Members of the Company will be entitled to vote at the AGM.

15. In line with SEBI Circular, RTAs are required to freeze folios wherein PAN, KYC and nomination is not available on or after October 1, 2023. Any service request in respect of these frozen folios will be undertaken only after the complete details are lodged with the RTA.
16. Members holding shares in electronic form are requested to submit their PAN to their DP's.
17. **Voting through Electronic means:**
  - i. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Listing Regulations, the Company is providing to its members facility to exercise their right to vote on the resolutions proposed to be passed at the AGM by electronic means ("e-voting"). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("remote e-voting"). The Company has availed the facilities of National Securities Depository Limited (NSDL) for facilitating e-voting. The facility of casting votes by Members using remote e-voting system as well as voting on the date of the AGM will be provided by NSDL.
  - ii. The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting:	Tuesday, August 6, 2024 at 9.00 AM (IST)
End of remote e-voting:	Thursday, August 8, 2024, at 5.00 PM (IST)
  - iii. The e-voting module will be disabled by NSDL for voting thereafter. Those Members who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

- iv. The voting rights of Member / Beneficial Owner (in case of electronic shareholding) shall be in proportion to his/her/its shareholding in the paid-up equity share capital of the Company as on the cut-off date i.e., Friday, August 2, 2024, ("Cut-off Date").
- v. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date only shall be entitled to avail the facility of remote e-voting or for participation at the AGM. A person who is not a member as on the Cut-off Date, should treat the Notice for information purpose only.
- vi. The members who have casted their vote(s) by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote(s) again at the meeting.

The details of the process and manner for remote e-voting and voting during the AGM are explained below:

Step 1: Access to NSDL e-voting system

Step 2: Cast your vote electronically on NSDL e-voting system



#### Step 1: Access to NSDL e-voting system

##### A) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR INDIVIDUAL MEMBERS HOLDING SECURITIES IN DEMAT MODE

In terms of SEBI Listing Regulations on "e-voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Members are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

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

Type of Members	Login Method
Individual Member holding securities in demat mode with NSDL.	<p>NSDL IDeAS facility:</p> <p>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under value added services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdasDirectReg.jsp</a>. Upon successful registration, please follow the steps given in point 1 above.</p> <p><b>E-voting website of NSDL:</b></p> <p>Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>Members/Member can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">   </div> <div style="text-align: center;">   </div> </div>
Individual Members holding securities in demat mode with CDSL	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. to reach the e-voting page will be made available without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing Myeasi username &amp; password.</p> <p>After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-voting Service Providers, i.e., NSDL so that the user can visit the e-voting service providers' website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-voting options where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.</p>
Individual Members (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility.</p> <p>Upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature.</p> <p>Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

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

### B) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR MEMBERS OTHER THAN INDIVIDUAL MEMBERS HOLDING SECURITIES IN DEMAT MODE AND MEMBERS HOLDING SECURITIES IN PHYSICAL MODE.

- Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
- Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a verification code as shown on the screen.
- Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e., cast your vote electronically.

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
For Members who hold shares in demat account with NSDL.	8 character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example: if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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

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

#### c) How to retrieve your 'initial password'?

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

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

- If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com).
  - Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

- Now, you will have to click on "Login" button.
- After you click on the "Login" button, the Home page of e-voting will open.

### Step 2: Cast your vote electronically and join AGM on NSDL e-voting system.

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

### GENERAL GUIDELINES FOR MEMBERS

- Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to [nithya@prowiscorporate.com](mailto:nithya@prowiscorporate.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional Members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-voting" tab in their login.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or

"Physical User Reset Password?" option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com) to reset the password.

- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](https://www.evoting.nsdl.com) or call on.: 022 - 4886 7000.

### PROCESS FOR THOSE MEMBERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) along with Form ISR-1 for updation of KYC details by email to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
- In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)
- If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e., Login method for e-voting and joining virtual meeting for Individual Members holding securities in demat mode.
- Alternatively, Members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
- In terms of SEBI circular dated December 9, 2020, on e-voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and DP's. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

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

- Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for Access to NSDL e-voting system. After successful login,



you can see link of “VC/OAVM” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.

- Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
- Members are encouraged to join the Meeting through Laptops for better experience. Further Members will be required to allow Camera and use the Internet with a good speed to avoid any disturbance during the meeting. Members will need the latest version of Chrome, Safari, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

#### THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE AGM:

- The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
- Members who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

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

#### OTHER GUIDELINES FOR MEMBERS:

- The Scrutiniser shall after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- As per Regulation 44 of the SEBI Listing Regulations, the results of the e-voting are to be submitted to the Stock Exchanges within two working days of the conclusion of the AGM. The results declared along with Scrutiniser's report shall be placed on the Company's website <https://www.tvsscs.com> and the website of NSDL [www.evoting.nsdl.com](https://www.evoting.nsdl.com). The results shall also be intimated to the Stock Exchange.
- Any person holding shares in physical form and non-individual Members, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the Cut-Off Date, may obtain the login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you could reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Members holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the Cut-off date may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-voting system”.

Contact Details		
Company's Registrar and Share Transfer Agent	Link Intime India Private Limited	C 101, 1 <sup>st</sup> Floor, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400 083, Maharashtra, India, Contact no: +91 810 811 4949 Email Id: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>
Scrutiniser	Ms. Nithya Pasupathy, Practicing Company Secretary of SPNP & Associates	<a href="mailto:nithya@prowiscorporate.com">nithya@prowiscorporate.com</a>
e-voting Facility Provider	National Securities Depository Limited (NSDL)	<a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> Toll free no.: 1800-222-990.

#### Details of Directors seeking re-appointment at the AGM

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

Name of the Director	Ms. Shobhana Ramachandhran	Sri. Ashish Kaushik
Director Identification Number	00273837	09289238
Date of Birth and Age	January 30, 1960; 64 years	December 20, 1984; 40 years
Date of Appointment	March 19, 2015	October 8, 2021
Expertise in specific functional areas	Ms. Shobhana Ramachandhran has several years of experience in the tyre and rubber, financial services, logistics, auto components and automobile industries. Ms. Shobhana Ramachandhran is the Managing Director of TVS Srichakra Limited and serves as a director on the Board of various companies including, Sundaram Finance Holdings Limited and Sundaram Brake Linings Limited.	Sri. Ashish Kaushik has over 13 years of experience in the finance industry. Sri. Ashish Kaushik is a member at Exor Capital II LLP.  Sri. Ashish Kaushik is a member of the Board of Ki Mobility Solutions Private Limited and TVS Industrial & Logistics Parks Private Limited
Qualifications	Master's degree in arts from Lady Doak College, Madurai Kamraj University.	Bachelors' degree of Technology in Mechanical Engineering from the Indian Institute of Technology, Delhi, Master of Science (financial engineering) from Nanyang Technological University, Singapore, Post Graduate Diploma in Management from IIM Ahmedabad and Masters' Degree of science in Finance from the London Business School
Last drawn remuneration for FY 2023-24	Refer Corporate Governance Report	Refer Corporate Governance Report
Remuneration sought to be paid	Sitting fees and such amount of remuneration as may be decided by the Nomination and Remuneration Committee/ Board	Nil
Directorship in other Indian Public Limited Companies	Refer Corporate Governance Report	Refer Corporate Governance Report
Membership/Chairmanship in committees of other Indian Public Limited Companies	Refer Corporate Governance Report	Refer Corporate Governance Report
Shareholding details in the Company, including shareholding as beneficial owner	9,66,750 equity shares	Nil
Name of the Listed entity from which the person has resigned in the past three years (excluding foreign companies)	Sundaram Finance Limited	Nil
Number of Board Meeting attended during the financial year ended March 31, 2023	Refer Corporate Governance Report	Refer Corporate Governance Report
Relationship between Directors, Manager and other Key Managerial Personnel Inter-se	Sri. R Dinesh, Executive Chairman and Ms. Shobhana Ramachandhran, Non-Executive Director are related to each other	Nil
Terms and Conditions relating to appointment	Appointment as Non- Executive Director liable to retire by rotation and being eligible, is proposed to be re-appointed at the AGM	Appointment as Non- Executive Director liable to retire by rotation and being eligible, is proposed to be re-appointed at the AGM

## INDEPENDENT AUDITORS' REPORT

To the Members of TVS Supply Chain Solutions Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of TVS 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 standalone 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 standalone 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 standalone 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 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 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 standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Revenue from contract with customers</b> (as described in Note 3B and Note 36 of the standalone financial statements)	
The Company earns service revenue from Supply Chain Management Solutions and Telecommunication services. For the year ended March 31, 2024, the Company has recognised revenue from contract with customers amounting to Rs. 1,938.27 Crs.	Our audit procedures included the following:
Terms of the revenue from contract with customers include multiple distinct performance obligations with varying pricing terms including variable consideration which influences both the measurement of revenues and timing of transfer of control. Management exercises judgment to determine the measurement and timing of revenue recognition including evaluation of whether the Company is acting as a principal or an agent.	<ul style="list-style-type: none"><li>• We read the Company's accounting policy pertaining to revenue recognition and assessed compliance with the policies in terms of Ind AS 115 – Revenue from Contract with Customers.</li><li>• We performed walkthroughs of the Company's revenue process and tested the design and operating effectiveness of such controls in relation to revenue recognition.</li><li>• On a sample basis, we tested the contracts with customers, management's revenue recognition assessment and revenue transactions and supporting documentation to evaluate the appropriateness of determination of performance obligations, allocation of transaction price to the identified performance obligation and the timing of revenue recognition in respect of such contracts.</li></ul>

Key audit matters	How our audit addressed the key audit matter
Due to the judgement relating to determination of performance obligations, allocation of transaction price to the identified performance obligation and satisfaction of such performance obligation, this matter is considered as a Key Audit Matter.	<ul style="list-style-type: none"><li>• We performed test of details for the selected sample of revenue transactions recorded near the reporting date and tested whether correct revenue was recognised in the appropriate period with reference to the underlying arrangement with the customers.</li><li>• We assessed the disclosures for compliance with Ind AS 115 – Revenue from Contract with Customers and Schedule III to the Companies Act, 2013.</li><li>• We performed test of details for the selected sample of revenue transactions recorded near the reporting date and tested whether correct revenue was recognised in the appropriate period with reference to the underlying arrangement with the customers.</li><li>• We assessed the disclosures for compliance with Ind AS 115 – Revenue from Contract with Customers and Schedule III to the Companies Act, 2013.</li></ul>
<b>Impairment of Investments in Subsidiaries and Joint Venture</b> (as described in Note 3E and Note 14 of the standalone financial statements)	
The carrying amount of investments in subsidiaries and a joint venture as at March 31, 2024 amounts to Rs. 1,906.10 Crs (net of allowance for impairment). The said investments are carried at cost less allowance for impairment.	Our audit procedures included the following:
These investments are held in 11 direct subsidiaries (which includes 54 step subsidiaries) and 1 joint venture. These investments are tested for impairment on an annual basis.	<ul style="list-style-type: none"><li>• We read the Company's accounting policy for impairment of investments in Subsidiaries and Joint venture and assessed compliance with Ind AS 36 – Impairment of Assets.</li><li>• We performed walkthroughs of the Company's impairment testing process and tested the design and operating effectiveness of internal controls over the impairment assessment process.</li><li>• Assessed the Company's determination of CGUs based on our understanding of the nature of the Group and their operations, and assessed whether this is compliant with Ind AS 36 – Impairment of assets.</li><li>• We assessed the actual performance in the year against the budgets to evaluate historical forecasting accuracy and understood the reasons for significant variances.</li><li>• We evaluated the future cash flow forecasts, and the process by which they were drawn up, including testing the underlying calculations and comparing them to budgets approved by the management.</li><li>• We challenged the key assumptions such as revenue growth rates, gross margin percentage, capital expenditure, working capital requirements in the forecasts by comparing them to historical results.</li><li>• Evaluated competence, capabilities and objectivity of the management's expert involved for determination of discount rate.</li><li>• Involved internal experts to test the valuation model and computations including forward looking micro and macro-economic factors that affect the recoverable amount.</li><li>• Assessed the recoverable value by performing sensitivity analysis of key assumptions used.</li><li>• Tested the arithmetical accuracy of the computation of recoverable amounts of investments.</li><li>• Assessed the adequacy of the disclosures in the standalone financial Statements.</li></ul>
The inputs to assessment of impairment which require exercise of significant judgement include the following:	
<ul style="list-style-type: none"><li>• projected future cash inflows;</li><li>• expected growth rate, discount rate, terminal growth rate and gross margin percentage;</li></ul>	
Accordingly, we identified the assessment of impairment as a key audit matter.	



## Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including annexures, Management and Discussion Analysis, General Shareholders Information, Business Responsibility and Sustainability Report and Corporate Governance 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 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the 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. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the

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

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

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on 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 standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 standalone financial statements – Refer Note 32 to the standalone 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 44 to the standalone 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 44 to the standalone 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 50 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: 24210934BKFUNH6626
- Place of Signature: Chennai  
Date: May 27, 2024

## Annexure 1 referred to in our report of even date

### Re: TVS 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.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All Property, Plant and Equipment have not been physically verified by the management during year but there is planned programme of verifying them over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were identified on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of 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 are 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 inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.
- (ii) (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 during the year on the basis of security of current assets of the Company. The quarterly returns / statements filed by the Company with such banks are in agreement with the books of accounts of the Company. The Company do not have sanctioned working capital limits from financial institutions during the year.
- (iii) (a) During the year, the Company has provided guarantees to wholly owned subsidiaries as follows:

Particulars	Guarantees given (Rs in crores)
Aggregate of guarantee provided during the year to wholly owned subsidiaries	880.90
Balance outstanding as at balance sheet date in respect of the above cases	880.52

During the year, the Company has not provided loans, advances in the nature of loans or provided security to companies, firms, Limited Liability Partnerships or any other parties.



- (b) During the year, the investments made, guarantees provided and the terms and conditions of the grant of guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest. The Company has not given loans, security or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties during the year.
- (c) During the year, the Company has renewed the loans given to a wholly owned subsidiary, where the schedule of repayment of principal and payment of interest has been stipulated / repayable on demand and these were not due / not demanded in the current year.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

- (e) The Company renewed loans given to its subsidiaries to settle the dues which had fallen due during the year. The aggregate amount of such dues renewed and the percentage of the aggregate to the total loans granted during the year are as follows:

Name of Parties	Aggregate amount of loans granted during the year (Rs. In crores)	Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties (Rs. In crores)	Percentage of the aggregate to the total loans granted during the year
TVS Logistics Investment USA Inc	119.40	119.40	100%
TVS Logistics SIAM Limited	4.96	4.96	100%

- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by 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 undisputed statutory dues with appropriate authorities 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 crores)	Amount* (Rs in crores)	Period to which the amount relates (Financial year)	Forum where the dispute is pending
Finance Act, 1994	Service tax	0.80	0.73	April 2014 to September 2015	Additional commissioner, CGST & Central Excise
TNVAT Act, 2006	Value Added Tax	0.95	0.95	April 2015 to October 2015	Assistant Commissioner, Commercial Tax, Madurai
The Employees Provident Fund Act, 1952	Provident Fund	12.49	12.49	April 2011 to October 2013	Employees' Provident Funds Appellate Tribunal
The Employees Provident Fund Act, 1952	Provident Fund	9.02	5.41	November 2013 to February 2015	Regional Provident Fund Commissioner- I, EPFO Chennai
Income tax Act 1961	Income Tax	7.32	7.32	2019-20	National Faceless Appeal Centre (NFAC), New Delhi
Income tax Act 1961	Income Tax	1.00	1.00	2020-21	National Faceless Appeal Centre (NFAC), New Delhi
Income tax Act 1961	Income Tax	23.22	23.22	2021-22	National Faceless Appeal Centre (NFAC), New Delhi
The Central Goods and Services Tax Act, 2017	Goods and Service Tax	0.37	0.36	2017-18	State Tax Officer, Gujarat
The Central Goods and Services Tax Act, 2017	Goods and Service Tax	0.07	0.06	2017-18	State Tax Officer, Punjab
The Central Goods and Services Tax Act, 2017	Goods and Service Tax	1.53	1.46	2018-19	Deputy Commissioner of State Tax, Maharashtra

\*Net of amounts paid under protest.

- (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) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, 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 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. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has utilised the monies raised during the year by way of initial public offer in the nature of equity shares for the purposes for which they were raised.

- (b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures respectively during the year. The funds raised, have been used for the purposes for which the funds were raised.
- (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) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (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 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) 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 has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (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 and 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 45 to the financial statements, 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 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 Corporate Social Responsibility as mentioned under section 135 of the Act are not applicable to the Company for the year. Therefore, the requirements to report on clauses 3(xx)(a) and 3(xx)(b) of the Order are 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: 24210934BKFUNH6626

Place of signature: Chennai

Date: May 27, 2024



## Annexure 2 to the Independent Auditors' Report of even date on the Standalone Financial Statements of TVS Supply Chain Solutions Limited

### 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 standalone financial statements of TVS Supply Chain Solutions Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone 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 standalone 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone 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 standalone financial statements.

### Meaning of Internal Financial Controls with Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 Standalone Financial Statements

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

### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone 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: 24210934BKFUNH6626

Place of Signature: Chennai

Date: May 27, 2024

## Standalone Balance Sheet

As at March 31, 2024

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

	Note	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12A	165.30	160.92
Capital work-in-progress	12B	0.89	7.40
Goodwill	13A	52.88	52.88
Other intangible assets	13B	9.54	11.74
Intangible asset under development	12B	1.90	1.03
Right-of-use assets	13C	246.85	368.73
<b>Financial assets</b>			
Investments	14	1,906.30	645.63
Trade receivables	20	6.04	6.04
Deposits and other receivables	16	107.67	81.35
Deferred tax assets (net)	11	68.30	61.88
Non-current tax assets (net)		23.42	76.11
Other non-current assets	18	2.27	3.77
<b>Total non-current assets</b>		<b>2,591.36</b>	<b>1,477.48</b>
<b>Current assets</b>			
Inventories	19	2.64	3.07
<b>Financial assets</b>			
Trade receivables	20	345.13	260.77
Cash and cash equivalents	21	75.60	288.04
Other bank balances	22	60.31	35.25
Loans	15	119.40	524.01
Deposits and other receivables	16	208.01	275.77
Other financial assets	17	1.28	1.32
Other current assets	23	216.32	254.46
<b>Total current assets</b>		<b>1,028.69</b>	<b>1,642.69</b>
<b>Total assets</b>		<b>3,620.05</b>	<b>3,120.17</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share Capital	24A	44.05	36.43
Other equity	24B	2,516.37	1,163.85
<b>Total equity</b>		<b>2,560.42</b>	<b>1,200.28</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	25	2.75	36.69
Lease liabilities	13C	167.70	248.70
Other financial liabilities	27	4.64	22.45
Provisions	28	17.35	9.14
<b>Total non-current liabilities</b>		<b>192.44</b>	<b>316.98</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	25	244.87	734.27
Lease liabilities	13C	116.81	149.59
Trade payables	26		
Dues to micro, small and medium enterprises		64.22	99.39
Dues to creditors other than micro, small and medium enterprises		293.39	323.66
Other financial liabilities	27	86.36	224.14
Provisions	28	7.03	11.50
Other current liabilities	29	54.51	60.36
<b>Total current liabilities</b>		<b>867.19</b>	<b>1,602.91</b>
<b>Total liabilities</b>		<b>1,059.63</b>	<b>1,919.89</b>
<b>Total equity and liabilities</b>		<b>3,620.05</b>	<b>3,120.17</b>

The notes from 1 to 50 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 Supply Chain Solutions Limited**

**Bharath N S**  
Partner  
Membership No. 210934  
Place: Chennai  
Date: May 27, 2024

**R Dinesh**  
Executive Chairman  
DIN: 00363300

**Ravi Prakash Bhagavathula**  
Chief Financial Officer

**Ravi Viswanathan**  
Managing Director  
DIN: 08713910

**P D Krishna Prasad**  
Company Secretary  
Membership No. 9911

Place: Chennai  
Date: May 27, 2024

## Standalone Statement of Profit and Loss

For the year ended March 31, 2024

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

	Note	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers	5	1,938.27	1,818.56
Other income	6	201.38	159.88
<b>Total income</b>		<b>2,139.65</b>	<b>1,978.44</b>
<b>Expenses</b>			
Freight charges		577.13	524.72
Sub-contracting costs and casual labour charges		451.16	431.44
Purchase of stock-in-trade		0.05	0.21
Impairment losses on financial instruments and non-current assets		5.38	35.93
Employee benefits expense	7	487.63	498.14
Finance costs	8	60.69	68.38
Depreciation and amortisation expense	9	206.92	186.36
Other expenses	10	245.47	234.09
<b>Total expenses</b>		<b>2,034.43</b>	<b>1,979.27</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>105.22</b>	<b>(0.83)</b>
Exceptional items	43	26.04	(10.00)
<b>Profit/(Loss) before tax</b>		<b>131.26</b>	<b>(10.83)</b>
<b>Tax expenses</b>			
Current tax	11	31.52	5.11
Deferred tax (expense/ (credit))		(5.71)	13.32
<b>Total tax expenses</b>		<b>25.81</b>	<b>18.43</b>
<b>Profit/(Loss) for the year</b>		<b>105.45</b>	<b>(29.26)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Re-measurement gains/ (losses) on defined benefit plans		(2.82)	(2.81)
Income tax relating to these items		0.71	0.98
<b>Net other comprehensive income not to be reclassified subsequently to profit or loss</b>		<b>(2.11)</b>	<b>(1.83)</b>
<b>Other comprehensive income for the year, net of tax</b>		<b>(2.11)</b>	<b>(1.83)</b>
<b>Total comprehensive income for the year</b>		<b>103.34</b>	<b>(31.09)</b>
<b>Earnings per share (INR)</b>			
Basic	24E	2.50	(0.76)
Diluted		2.50	(0.76)

The notes from 1 to 50 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 Supply Chain Solutions Limited**

**Bharath N S**  
Partner  
Membership No. 210934  
Place: Chennai  
Date: May 27, 2024

**R Dinesh**  
Executive Chairman  
DIN: 00363300

**Ravi Prakash Bhagavathula**  
Chief Financial Officer

**Ravi Viswanathan**  
Managing Director  
DIN: 08713910

**P D Krishna Prasad**  
Company Secretary  
Membership No. 9911

Place: Chennai  
Date: May 27, 2024



## Standalone Statement of Cash Flows

For the year ended March 31, 2024

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

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flows from/(used in) operating activities</b>		
<b>Profit/(Loss) before tax</b>	<b>131.26</b>	<b>(10.83)</b>
<b>Adjustments for:</b>		
Interest income		
Cash and cash equivalents	(12.83)	(2.04)
Security deposits carried at amortised cost	(6.91)	(5.13)
Loan to subsidiaries	(42.97)	(23.13)
Amortisation of financial guarantee liability	(15.28)	(16.08)
Dividend income from subsidiary	(2.40)	(2.40)
Income from finance lease	(1.08)	(1.73)
Exceptional items gain (net)	(26.04)	10.00
Share based payment expenses	1.68	8.99
Finance costs	60.69	68.38
Depreciation and amortisation expense	206.92	186.36
Gain on termination of lease contract	(2.72)	(3.00)
Interest income under income tax refund	(4.10)	-
Unrealised foreign exchange differences	(18.70)	(26.23)
Impairment losses on financial instrument and non-current assets	5.38	35.93
(Profit)/loss on sale of property plant and equipment, net	(5.50)	0.46
<b>Operating profit before changes in operating assets and liabilities</b>	<b>267.40</b>	<b>219.55</b>
<b>Change in operating assets and liabilities</b>		
(Increase) / decrease in inventories	0.44	(0.44)
(Increase) / decrease in trade receivables	(87.94)	(51.56)
(Increase) / decrease in other current and non-current, financial and non-financial assets	16.36	(6.09)
Increase / (decrease) in trade payables	(65.28)	48.54
Increase / (decrease) in other current and non-current, financial and non-financial liabilities	(221.27)	124.78
Increase / (decrease) in provisions	3.74	2.38
<b>Cash flows from/(used in) operations</b>	<b>(86.55)</b>	<b>337.16</b>
Income taxes paid, net of refunds and related interest	24.80	(28.21)
<b>Net cash flows from/(used in) operating activities</b>	<b>(61.75)</b>	<b>308.95</b>
<b>Cash flows used in investing activities</b>		
Redemption of / (Investment in) bank deposits having an original maturity of more than three months	(25.05)	(32.45)
Purchase of property, plant and equipment	(45.30)	(74.59)
Proceeds from sale of property, plant and equipment	13.72	1.28
Investments in subsidiaries	(748.10)	-
Proceeds from sale of shares in equity accounted investee	51.30	-
Loans (given)/ received to/ from subsidiaries	104.10	(328.11)
Interest income received	18.01	3.77
Dividend income from subsidiary	2.16	2.16
Acquisition of non-controlling interests	-	(7.19)
<b>Net cash flows used in investing activities</b>	<b>(629.16)</b>	<b>(435.13)</b>

## Standalone Statement of Cash Flows

For the year ended March 31, 2024

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

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity shares pursuant to exercise of share options	81.78	0.97
Proceeds from issue of equity shares under Pre-IPO placement	75.00	-
Proceeds from issue of compulsorily convertible preference shares	200.00	292.30
Proceed from initial public offer	600.00	-
Share issue expenses	(29.51)	(42.65)
Proceeds from/(repayment) of short-term borrowings, net	(178.79)	41.72
Proceeds from long-term borrowings	2.94	50.00
Repayment of long-term borrowings	(61.24)	(15.58)
Interest paid	(28.98)	(35.14)
Payment of principal and interest payments of lease liability	(182.73)	(167.05)
<b>Net cash flows from financing activities</b>	<b>478.47</b>	<b>124.57</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(212.42)</b>	<b>(1.61)</b>
Cash and cash equivalents at the beginning of the year	288.04	289.65
<b>Cash and cash equivalents at the end of the year</b>	<b>75.60</b>	<b>288.04</b>

The notes from 1 to 50 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 Supply Chain Solutions Limited**

**Bharath N S**  
Partner  
Membership No. 210934  
Place: Chennai  
Date: May 27, 2024

**R Dinesh**  
Executive Chairman  
DIN: 00363300

**Ravi Prakash Bhagavathula**  
Chief Financial Officer

**Ravi Viswanathan**  
Managing Director  
DIN: 08713910

**P D Krishna Prasad**  
Company Secretary  
Membership No. 9911

Place: Chennai  
Date: May 27, 2024

## Standalone Statement of Changes in Equity

For the year ended March 31, 2024

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

### 24A Equity Share Capital

	Note	Amount
Balance as at April 1, 2022	24A	36.30
Shares issued during the year		0.13
<b>Balance as at March 31, 2023</b>		<b>36.43</b>
Balance as at April 1, 2023		36.43
Shares issued under Pre-IPO placement		0.40
Shares issued under initial public offer		3.04
Shares issued on exercise of share options		0.86
Conversion of convertible preference shares into equity		3.32
<b>Balance as at March 31, 2024</b>		<b>44.05</b>

### 24B Other equity

	Reserves and surplus						Items of OCI	Total
	Securities premium	Capital reserve	Capital redemption reserve**	Share options	Compulsorily convertible preference shares*	Retained earnings		
<b>Balance as at April 1, 2022</b>	<b>1,329.06</b>	<b>0.01</b>	<b>0.00</b>	<b>34.03</b>	<b>0.12</b>	<b>(190.28)</b>	<b>(0.04)</b>	<b>1,172.90</b>
Profit/(Loss) for the year	-	-	-	-	-	(29.26)	-	(29.26)
Other comprehensive income (net of tax)	-	-	-	-	-	-	(1.83)	(1.83)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(29.26)</b>	<b>(1.83)</b>	<b>(31.09)</b>
<b>Transactions with owners recorded directly in equity</b>								
Issue of equity shares pursuant to exercise of share warrants	1.08	-	-	(0.13)	-	-	-	0.95
Expenses relating to issue of shares	(0.75)	-	-	-	-	-	-	(0.75)
Conversion of Convertible preference shares into equity	-	-	-	-	(0.12)	-	-	(0.12)
Issue of equity shares	-	-	-	-	-	-	-	-
Transfer of reserves	-	-	-	(1.02)	-	1.02	-	-
Share based payments	-	-	-	21.96	-	-	-	21.96
<b>Total contributions by and distributions to owners</b>	<b>0.33</b>	<b>-</b>	<b>-</b>	<b>20.81</b>	<b>(0.12)</b>	<b>1.02</b>	<b>-</b>	<b>22.04</b>
<b>Balance as at March 31, 2023</b>	<b>1,329.39</b>	<b>0.01</b>	<b>0.00</b>	<b>54.84</b>	<b>-</b>	<b>(218.52)</b>	<b>(1.87)</b>	<b>1,163.85</b>

## Standalone Statement of Changes in Equity

For the year ended March 31, 2024

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

### 24B Other equity

	Reserves and surplus					Retained earnings	Items of OCI	Total
	Securities premium	Capital reserve	Capital redemption reserve**	Share options	Compulsorily convertible preference shares*			
<b>Balance as at April 1, 2023</b>	<b>1,329.39</b>	<b>0.01</b>	<b>0.00</b>	<b>54.84</b>	<b>-</b>	<b>(218.52)</b>	<b>(1.87)</b>	<b>1,163.85</b>
Profit/(Loss) for the year	-	-	-	-	-	105.45	-	105.45
Other comprehensive income (net of tax)	-	-	-	-	-	-	(2.11)	(2.11)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>105.45</b>	<b>(2.11)</b>	<b>103.34</b>
<b>Transactions with owners recorded directly in equity</b>								
Issue of equity shares for cash under Pre-IPO placement	74.60	-	-	-	-	-	-	74.60
Issue of equity shares for cash under initial public offer	596.95	-	-	-	-	-	-	596.95
Issue of equity shares pursuant to exercise of share options	80.92	-	-	-	-	-	-	80.92
Expenses relating to issue of shares including offer expenses relating to IPO (refer note 48)	(82.65)	-	-	-	-	-	-	(82.65)
Conversion of Convertible preference shares into equity	576.01	-	-	-	-	-	-	576.01
Share based payments	-	-	-	3.35	-	-	-	3.35
Transfer of reserves	17.92	-	-	(22.44)	-	4.52	-	-
<b>Total contributions by and distributions to owners</b>	<b>1,263.75</b>	<b>-</b>	<b>-</b>	<b>(19.09)</b>	<b>-</b>	<b>4.52</b>	<b>-</b>	<b>1,249.18</b>
<b>Balance as at March 31, 2024</b>	<b>2,593.14</b>	<b>0.01</b>	<b>0.00</b>	<b>35.75</b>	<b>-</b>	<b>(108.55)</b>	<b>(3.98)</b>	<b>2,516.37</b>

\* Represents instruments entirely equity in nature.

\*\* As at March 31, 2023 and March 31, 2024, Capital redemption reserve stood at ₹ 46,490/- There were no changes during the years ended March 31, 2023 and March 31, 2024.

The notes from 1 to 50 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 Supply Chain Solutions Limited**
**Bharath N S**

Partner

Membership No. 210934

Place: Chennai

Date: May 27, 2024

**R Dinesh**

Executive Chairman

DIN: 00363300

**Ravi Prakash Bhagavathula**

Chief Financial Officer

**Ravi Viswanathan**

Managing Director

DIN: 08713910

**P D Krishna Prasad**

Company Secretary

Membership No. 9911

Place: Chennai

Date: May 27, 2024



# Notes to Standalone Financial Statements

For the year ended March 31, 2024

## 1 Reporting entity

The Standalone financial statements comprise financial statements of TVS Supply Chain Solutions Limited (formerly known as TVS Logistics Services Limited) ('the Company') (CIN L63011TN2004PLC054655) for the year ended March 31, 2024. The Company is a public company domiciled in India and is incorporated on November 16, 2004 under the provisions of the Companies Act applicable in India. The Company's shares are listed on Bombay Stock Exchange and National Stock Exchange w.e.f. August 23, 2023. The registered office of the Company is located at 10 Jawahar Road, Chokkikulam, Madurai – 625 002, Tamil Nadu, India.

The Company is engaged in the business of supply chain management services including aftermarket warehouse, in-plant warehouse, global supply chain management services, domestic supply chain management services, material handling services and services relating to installation and commissioning of telecom towers including managed services for telecom networks and associated supply chain management of the logistics activities for telecom service provider and OEMs.

## 2 Basis of preparation

### A Statement of compliance and going concern assessment

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 standalone financial statements.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The standalone financial statements were authorised for issue by the Company's 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 Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded-off to the nearest Crores, 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
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.

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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### (i) Revenue from contracts with customers

Identifying performance obligations and allocation of transaction price:  
Terms of the revenue from contract with customers include multiple distinct performance obligations with varying pricing terms including variable consideration which influences both the measurement of revenues and timing of transfer of control. Management exercises judgment to determine the measurement and timing of revenue recognition including evaluation of whether the Group is acting as a principal or an agent including determination of performance

# Notes to Standalone Financial Statements

For the year ended March 31, 2024

obligations, allocation of transaction price to the identified performance obligation and satisfaction of such performance obligation.

#### (ii) 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.

#### (iii) 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, where ever necessary.

#### (iv) 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.

#### (v) 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 Group 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 Goodwill and Other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed in Note 13A.

#### (vi) Lease classification, termination and renewal option of leases

The Company determines the lease term as the non-cancellable term of the lease, together with any periods 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 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. The Company makes an assessment on the expected lease term on a lease-by-lease basis

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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. Hence, the Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease.

Refer to Note 31 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

### (vii) 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 3 (O) (ii) & 11 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used
- Note 30 – Measurement of defined benefit obligations: key actuarial assumptions
- Note 37 – Financial instruments - Fair values and risk management

### 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 Company 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 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 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

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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 37 – Financial instruments - Fair values and risk management

### F Current versus non-current classification

Current and non-current classification are in line with the requirements of Schedule III to the Companies Act, 2013.

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.

### G Draft Scheme of Amalgamation

The Board of Directors at its meeting held on February 5, 2024, has accorded its approval to the draft Scheme of Amalgamation which provides for the merger of TVS SCS Global Freight Solutions Limited, White Data Systems Private Limited, SPC International (India) Private Limited and FLEXOL Packaging (India) Limited which are wholly owned subsidiaries of the Company, and Mahogany Logistics Services Private Limited (formerly known as 'DRSR Logistics Services Private Limited') with and into TVS Supply Chain Solutions Limited.

The Scheme would be subject to the sanction and approval of the National Company Law Tribunal, the relevant stock exchanges and shareholders. The Scheme when approved by all the regulatory authorities and relevant stakeholders will be accounted for in accordance with Indian Accounting Standards ("Ind AS").

### 3 Material accounting policies

#### A Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### i. Initial recognition and measurement

All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss. 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 classification of financial assets at initial recognition depends on the financial asset's



# Notes to Standalone Financial Statements

For the year ended March 31, 2024

contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (B) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

## ii. Classification and subsequent measurement

### A. 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 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 the 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 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

# Notes to Standalone Financial Statements

For the year ended March 31, 2024

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.

Compulsorily Convertible preference shares are separated into liability and equity components based on the terms of the contract. On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds are allocated to the conversion option that is recognised and included in equity if the conversion option meets Ind AS 32 criteria for fixed to fixed classification and as liability if the conversion option does not meet Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option are remeasured on every reporting period and the difference is recognised in the statement of profit and loss.

If the day 1 profit or loss is not evidenced by a quoted price in an active market for an identical asset or liability (i.e. Level 1 input) nor based on a valuation technique that uses only data from observable markets, then the entity does not recognise a gain or loss on initial recognition.

## 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.

## B 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;

# Notes to Standalone Financial Statements

For the year ended March 31, 2024

- (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) Supply chain management

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 recognised over the term of the contract.

In the case of transportation services, 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 recognised proportionally as a shipment moves and the related costs are recognised 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 recognises revenue on a net basis when the Company does not control the specific services.

### b) 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.

### c) Sale of goods

Revenue from sale of traded goods is recognised when the control of the same is transferred to the customer, generally on

# Notes to Standalone Financial Statements

For the year ended March 31, 2024

delivery of the goods and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods.

## 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.

## Unbilled revenue:

Unbilled revenue represents value of services under performance / 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.

## 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.

## C Business combinations

### i. Business combinations (other than common control business combinations)

In accordance with Ind AS 103, the Company accounts for these 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



# Notes to Standalone Financial Statements

For the year ended March 31, 2024

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.

## D Goodwill and other intangibles

### i. Goodwill

Goodwill is recognised and is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Company's previously held equity shares in the acquiree, over the net of the consideration date amounts of the identifiable assets acquired and the liabilities assumed.

### ii. Other intangible assets

On transition to Ind AS (i.e. April 1, 2016), the Company has elected to continue with the carrying value of all Intangible Assets measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible Assets.

For subsequent measurement, 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. Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

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.

### iv. Subsequent expenditure

Subsequent expenditure is capitalised only if 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.

### v. Amortisation

Goodwill is not amortised and is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

Amortisation is calculated to write off the cost of intangible assets less their estimated

# Notes to Standalone Financial Statements

For the year ended March 31, 2024

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)
Brand	05
Customer relationship	07
Computer software	03-10

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

## E 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 using simplified approach, 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).

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

### 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.

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 Discounted Cash Flow (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 Goodwill and Other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed in Note 13A.

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).

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries

## Notes to Standalone Financial Statements

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in which the Company operates, or for the market in which the asset is used.

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 & Share based payment arrangements

#### 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. Share-based payment transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. 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 under share based payment reserve, over the period that the employees unconditionally become entitled to the awards. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.



# Notes to Standalone Financial Statements

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The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### 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 makes specified monthly contributions towards Government administered provident fund scheme, Employees State Insurance Scheme and an superannuation fund to Life Insurance Corporation (LIC). 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. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

### 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.

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.

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.

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. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

### v. Other long-term employee benefits

The Company's net obligation in respect of compensated absences 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.

# Notes to Standalone Financial Statements

For the year ended March 31, 2024

## G 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.

## H Leases

### Company as a Lessor:

Leases in which the Company 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 Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company'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.

### 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 shorter of the lease term or the estimated useful lives of the assets.

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 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

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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) Date of commencement of leases acquired under business combinations

The Company 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.

## I Contingent liabilities

### 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.

## J Property, plant and equipment

### i. Recognition and measurement

On transition to Ind AS (i.e. April 1, 2016), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

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

Capital work in progress is stated at cost, net of accumulated impairment loss, 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.

When significant parts of plant and equipment are required to be replaced at intervals, the

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

Company 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.

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 and loss when the asset is derecognised.

### 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 and the cost of the item can be measured reliably.

### 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 Company reviews the estimated residual values and expected useful lives of assets at least annually.

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	30-60
Plant and equipment	03-10
Furniture and fixtures	01-10
Vehicles	08-10
Office equipment	5
Computer equipment	03-06

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

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).

## K 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, that are readily convertible to a known amount of cash and 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 an original maturity period of more than three months are classified as other bank balances.

For the purpose of the standalone 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.

## L 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.

## M 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').



# Notes to Standalone Financial Statements

For the year ended March 31, 2024

## N 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.

## O 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.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

### 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.

# Notes to Standalone Financial Statements

For the year ended March 31, 2024

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.

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.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

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.

## P 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 or production 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.

## Q Earnings per share

Basic earning per equity share are computed by dividing the net profit or loss 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.

## R Inventories

Inventories consist of stores 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.

## S 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.

## T Foreign currencies

The Company's Standalone financial statements are presented in INR, which is also the Company's functional currency.

### Foreign currency transactions

Transactions in foreign currencies are initially recorded at 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

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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.

### U Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

### V 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 March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. The Company has applied these standards and amendments for the first time.

#### (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 Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at April 1, 2023.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34 which had no impact on the company's financial statements.

### W Standards notified but not yet effective

There are no such Standards which are notified but not yet effective.

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 4 Operating segment

In accordance with Ind AS 108 "Operating Segments", segment information has been given in the consolidated financial statements of TVS Supply Chain Solutions Limited and therefore no separate disclosure on segment information is given in these standalone financial statements.

### 5 Revenue from contracts with customers

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Sale of services</b>		
Income from supply chain management services	1,782.79	1,644.90
Income from telecom services	154.96	153.65
	<b>1,937.75</b>	<b>1,798.55</b>
<b>Other operating revenue</b>		
Scrap sales	0.52	2.27
Others	-	17.74
	<b>0.52</b>	<b>20.01</b>
	<b>1,938.27</b>	<b>1,818.56</b>

### 6 Other income

	Year ended March 31, 2024	Year ended March 31, 2023
Interest income under the effective interest method on:		
Cash and cash equivalents	12.83	2.04
Security deposits	6.91	5.13
Loans to subsidiaries	42.97	23.13
Amortisation of financial guarantee liability	15.28	16.08
Income from finance lease	1.08	1.73
Interest income on income tax refund	4.10	-
Dividend income from subsidiaries	2.40	2.40
Gain on sale of Property, Plant and Equipment (net)	5.50	-
Exchange difference gain net	20.56	26.23
Gain on termination of lease	2.72	3.00
Business development and management services	46.25	50.00
Income from back office support services	33.55	24.13
Other non operating income	7.23	6.01
	<b>201.38</b>	<b>159.88</b>

### 7 Employee benefits expense

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	402.05	408.37
Contribution to provident and other funds (refer note 30)	32.85	34.59
Share based payments (refer note 30)	1.68	8.99
Expenses related to post-employment defined benefit plans (refer note 30)	3.14	2.91
Expenses related to compensated absences	6.07	5.17
Staff welfare expenses	41.84	38.11
	<b>487.63</b>	<b>498.14</b>



## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 8 Finance costs

	Year ended March 31, 2024	Year ended March 31, 2023
Interest expenses	27.03	33.74
Interest on lease liabilities	31.71	33.24
Other borrowing costs	1.95	1.40
	<b>60.69</b>	<b>68.38</b>

### 9 Depreciation and amortisation expense

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment	38.72	36.05
Amortisation of right-of-use assets	163.04	147.34
Amortisation of intangible assets	5.16	2.97
	<b>206.92</b>	<b>186.36</b>

### 10 Other expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Staff transportation charges	17.13	16.33
Material handling charges	27.18	22.01
Consumption of stores and spares	23.73	19.34
Power and fuel	15.71	13.04
Rent	26.54	25.75
Rates and taxes	7.39	8.64
Insurance	8.61	5.79
Repairs and maintenance		
Plant and machinery	1.04	0.50
Buildings	8.00	7.72
Others	27.70	28.27
Advertisement and business promotion	2.87	2.95
Travelling and conveyance	11.23	11.65
Communication costs	5.02	4.91
Printing and stationery	10.44	11.48
Factoring charges	6.13	10.58
Bank charges	1.23	0.45
Legal and professional fees	11.59	11.35
Security expenses	29.17	29.04
Payment to auditors (refer note below)	2.53	1.33
Loss on sale of property plant and equipment, net	-	0.46
Miscellaneous expenses	2.23	2.50
	<b>245.47</b>	<b>234.09</b>

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### Note: Details of payment to auditors

	Year ended March 31, 2024	Year ended March 31, 2023
<b>As auditor</b>		
Audit of standalone financial statements	0.52	0.79
Audit of consolidated financial statements	0.53	0.78
Audit of subsidiaries for consolidation purposes	0.42	2.77
Limited review	0.80	-
Tax audit	0.02	0.02
Certification fees	0.22	0.11
Services in connection with initial public offer	1.28	1.69
Re-imbursement of expenses	0.02	0.16
	<b>3.81</b>	<b>6.32</b>
Considered as part of share issue expenses (Refer note 48)	<b>1.28</b>	<b>4.99</b>
<b>Net total</b>	<b>2.53</b>	<b>1.33</b>

### 11 Tax expenses

#### A. Amounts recognised in profit or loss

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Current tax (a)</b>		
Current tax	31.52	5.11
Tax relating to earlier years	-	-
	<b>31.52</b>	<b>5.11</b>
<b>Deferred tax (b)</b>		
Attributable to origination and reversal of temporary differences	(5.71)	13.32
	<b>(5.71)</b>	<b>13.32</b>
<b>Total tax expenses (a+b)</b>	<b>25.81</b>	<b>18.43</b>

#### B. Income tax recognised in other comprehensive income

	Year ended March 31, 2024			Year ended March 31, 2023		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Remeasurement of defined benefit liability / (asset)	(2.82)	0.71	(2.11)	(2.81)	0.98	(1.83)
	<b>(2.82)</b>	<b>0.71</b>	<b>(2.11)</b>	<b>(2.81)</b>	<b>0.98</b>	<b>(1.83)</b>

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### C. Reconciliation of effective tax rate

	Year ended March 31, 2024		Year ended March 31, 2023	
Profit/(loss) before tax		131.26		(10.83)
Tax using the Company's domestic tax rate	25.17%	33.04	25.17%	(2.72)
<b>Effects of:</b>				
Permanent disallowances	3.75%	4.92	-1.85%	0.20
Tax incentives	-0.43%	(0.57)	0.00%	-
Change on account of adoption of lower tax regime	0.00%	-	-201.39%	21.81
Utilisation of previously unrecognised tax losses	-9.44%	(12.39)	0.00%	-
Others	0.62%	0.81	7.94%	(0.86)
<b>Effective tax rate</b>	<b>19.67%</b>	<b>25.81</b>	<b>-170.13%</b>	<b>18.43</b>

For the year ending March 31, 2023, the management has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has re-measured its Deferred tax asset basis the rate prescribed in the said section. Accordingly, deferred tax asset has reduced by ₹21.81 crores.

### D. Recognised deferred tax assets and liabilities

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

	March 31, 2024	March 31, 2023
Deferred tax assets (net)		
<b>Deferred tax asset</b>		
Employee benefits	11.08	9.12
Provision against financial assets	28.26	27.40
Carried forward tax losses	-	-
Depreciation and amortisation	15.68	14.28
Right of use asset and lease liability	13.28	11.08
<b>Net Deferred tax asset</b>	<b>68.30</b>	<b>61.88</b>

#### b. Movement in deferred tax assets

	Balance as at April 1, 2022	Recognised in Profit & Loss	Recognised in OCI	Balance as at March 31, 2023	Recognised in Profit & Loss	Recognised in OCI	Balance as at March 31, 2024
Employee benefits	15.14	(7.00)	0.98	9.12	1.25	0.71	11.08
Provision against financial assets	30.96	(3.56)	-	27.40	0.86	-	28.26
Carried forward tax losses	0.96	(0.96)	-	-	-	-	-
Depreciation and amortisation	15.39	(1.11)	-	14.28	1.40	-	15.68
Right of use asset and lease liability	11.77	(0.69)	-	11.08	2.20	-	13.28
<b>Net Deferred tax asset</b>	<b>74.22</b>	<b>(13.32)</b>	<b>0.98</b>	<b>61.88</b>	<b>5.71</b>	<b>0.71</b>	<b>68.30</b>

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 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 company can use the benefits therefrom:

Particulars	March 31, 2024		March 31, 2023	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Tax losses (including capital loss)	72.66	16.62	160.11	40.30
Unabsorbed depreciation	-	-	-	-

### F. Tax losses carried forward

Particulars	March 31, 2024	Expiry date *	March 31, 2023	Expiry date *
Expiry within 5 years	-	-	4.10	2027-2028
Expiry within 5-10 years	72.66	2030-2031	156.01	2030-2031
	<b>72.66</b>	<b>-</b>	<b>160.11</b>	

\* Expiry date mentioned is based on assessment year.

## 12AProperty, plant and equipment

### a Reconciliation of carrying amount

	Land	Building	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Total
<b>Gross carrying amount</b>								
Balance as at April 1, 2022	20.96	28.04	62.08	104.10	6.62	19.41	22.15	263.36
Additions*	-	-	3.61	28.31	2.56	8.22	12.48	55.18
Disposals	-	-	(2.33)	(0.51)	(2.41)	(0.30)	(0.34)	(5.89)
<b>Balance as at March 31, 2023</b>	<b>20.96</b>	<b>28.04</b>	<b>63.36</b>	<b>131.90</b>	<b>6.77</b>	<b>27.33</b>	<b>34.29</b>	<b>312.65</b>
Balance as at April 1, 2023	20.96	28.04	63.36	131.90	6.77	27.33	34.29	312.65
Additions*	-	-	3.47	28.76	4.31	7.84	6.94	51.32
Disposals	-	-	(59.35)	(2.84)	(2.17)	(1.31)	(2.59)	(68.26)
<b>Balance as at March 31, 2024</b>	<b>20.96</b>	<b>28.04</b>	<b>7.48</b>	<b>157.82</b>	<b>8.91</b>	<b>33.86</b>	<b>38.64</b>	<b>295.71</b>
<b>Accumulated depreciation and Impairment losses</b>								
Balance as at April 1, 2022	-	3.16	43.93	47.96	1.84	8.96	13.98	119.83
Depreciation for the year	-	0.54	6.76	18.25	0.84	4.21	5.45	36.05
Disposals	-	-	(2.02)	(0.33)	(1.25)	(0.22)	(0.33)	(4.15)
<b>Balance as at March 31, 2023</b>	<b>-</b>	<b>3.70</b>	<b>48.67</b>	<b>65.88</b>	<b>1.43</b>	<b>12.95</b>	<b>19.10</b>	<b>151.73</b>
Balance as at April 1, 2023	-	3.70	48.67	65.88	1.43	12.95	19.10	151.73
Depreciation for the year	-	0.54	4.27	19.65	1.02	5.17	8.07	38.72
Disposals	-	-	(54.84)	(1.36)	(0.74)	(0.88)	(2.22)	(60.04)
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>4.24</b>	<b>(1.90)</b>	<b>84.17</b>	<b>1.71</b>	<b>17.24</b>	<b>24.95</b>	<b>130.41</b>
<b>Carrying amounts (net)</b>								
<b>As at March 31, 2023</b>	<b>20.96</b>	<b>24.34</b>	<b>14.69</b>	<b>66.02</b>	<b>5.34</b>	<b>14.38</b>	<b>15.19</b>	<b>160.92</b>
<b>As at March 31, 2024</b>	<b>20.96</b>	<b>23.80</b>	<b>9.38</b>	<b>73.65</b>	<b>7.20</b>	<b>16.62</b>	<b>13.69</b>	<b>165.30</b>

\* Includes assets given on finance lease with written down value of ₹ 0.05 crores (March 31, 2023: ₹ 1.68 crores) acquired back from the customer.

### b Security

For details of property, plant and equipment pledged provided as security against borrowings, refer note 25.



## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 12B Capital work-in-progress & Intangible assets under development

#### a Ageing of capital work-in-progress & intangible assets under development

##### As at March 31, 2023

	< 1 year	1 to 2 years	2 to 3 years	> 3 years	Total
Projects in progress					
Capital work-in-progress	7.40	-	-	-	7.40
Intangible assets under development	1.03	-	-	-	1.03
	<b>8.43</b>	-	-	-	<b>8.43</b>

##### As at March 31, 2024

	< 1 year	1 to 2 years	2 to 3 years	> 3 years	Total
Projects in progress					
Capital work-in-progress	0.67	0.22	-	-	0.89
Intangible assets under development	0.95	0.95	-	-	1.90
	<b>1.62</b>	<b>1.17</b>	-	-	<b>2.79</b>

#### b Movement of capital work-in-progress & intangible assets under development

	Capital work-in-progress	Intangible asset under development
Reconciliation of carrying amount		
Balance as at April 1, 2022	2.94	-
Additions	57.95	3.32
Transferred to Property, plant and equipment / Other intangible assets	(53.49)	(2.29)
<b>Balance as at March 31, 2023</b>	<b>7.40</b>	<b>1.03</b>
Balance as at April 1, 2023	7.40	1.03
Additions	44.81	3.83
Transferred to Property, plant and equipment / Other intangible assets	(51.32)	(2.96)
<b>Balance as at March 31, 2024</b>	<b>0.89</b>	<b>1.90</b>

### 13A Goodwill

#### Reconciliation of carrying amount

	Goodwill	Total
<b>Gross carrying amount</b>		
Balance as at April 1, 2022	52.88	52.88
Disposals	-	-
<b>Balance as at March 31, 2023</b>	<b>52.88</b>	<b>52.88</b>
Balance as at April 1, 2023	52.88	52.88
Disposals	-	-
<b>Balance as at March 31, 2024</b>	<b>52.88</b>	<b>52.88</b>
<b>Accumulated Impairment loss</b>		
Balance as at April 1, 2022	-	-
Impairment for the year	-	-
<b>Balance as at March 31, 2023</b>	<b>-</b>	<b>-</b>
Balance as at April 1, 2023	-	-
Impairment for the year	-	-
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>-</b>

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

	Goodwill	Total
<b>Carrying amounts (net)</b>		
<b>As at March 31, 2023</b>	<b>52.88</b>	<b>52.88</b>
<b>As at March 31, 2024</b>	<b>52.88</b>	<b>52.88</b>

# The Company has performed impairment tests of goodwill at the end of the year March 2024 and March 2023. For the purpose of impairment testing, goodwill is allocated to the cash generating units which are expected to benefit from the synergies of the corresponding business combinations. The goodwill impairment 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.

#### Key assumptions used for calculating the value in use:

	TVS Supply Chain Solutions Limited
Cash generating unit	
Carrying amount of goodwill as at March 31, 2024	52.88
Carrying amount of goodwill as at March 31, 2023	52.88
Basis of recoverable amount	Value in use
Pre-tax discount rate March 31, 2024	11.70%
Pre-tax discount rate March 31, 2023	14.00%
Projection period	5 Years
Terminal growth rate March 31, 2024	5.00%
Terminal growth rate March 31, 2023	3.00%

Key assumptions have not changed significantly compared to the previous year with the exception of discount rates used. For March 2024 and March 2023, the recoverable amounts exceeded their carrying amounts and consequently no impairment of goodwill was recognised for the years March 2024 and March 2023.

Management believes that it is not likely for the assumptions used to change so significantly, as to eliminate the excess of recoverable amounts.

### 13B Other intangible assets

#### Reconciliation of carrying amount

	Customer relationship	Brand	Computer software	Total
Gross carrying amount				
Balance as at April 1, 2022	6.09	6.77	20.77	33.63
Additions	-	-	9.80	9.80
Disposals/retirement	-	-	(0.01)	(0.01)
<b>Balance as at March 31, 2023</b>	<b>6.09</b>	<b>6.77</b>	<b>30.56</b>	<b>43.42</b>
Balance as at April 1, 2023	6.09	6.77	30.56	43.42
Additions	-	-	2.96	2.96
<b>Balance as at March 31, 2024</b>	<b>6.09</b>	<b>6.77</b>	<b>33.52</b>	<b>46.38</b>
Accumulated amortisation and impairment loss				
Balance as at April 1, 2022	4.16	6.77	17.79	28.72
Amortisation for the year	0.87	-	2.10	2.97
Disposals/retirement	-	-	(0.01)	(0.01)
<b>Balance as at March 31, 2023</b>	<b>5.03</b>	<b>6.77</b>	<b>19.88</b>	<b>31.68</b>

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

	Customer relationship	Brand	Computer software	Total
Balance as at April 1, 2023	5.03	6.77	19.88	31.68
Amortisation for the year	0.87	-	4.29	5.16
<b>Balance as at March 31, 2024</b>	<b>5.90</b>	<b>6.77</b>	<b>24.17</b>	<b>36.84</b>
<b>Carrying amounts (net)</b>				
<b>As at March 31, 2023</b>	<b>1.06</b>	<b>-</b>	<b>10.68</b>	<b>11.74</b>
<b>As at March 31, 2024</b>	<b>0.19</b>	<b>-</b>	<b>9.35</b>	<b>9.54</b>

### 13C Right of use assets

a 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 year

	Building	Total
<b>Net carrying amount</b>		
<b>Balance as at April 1, 2022</b>	263.14	263.14
Additions	264.96	264.96
Reversals (less)	(12.03)	(12.03)
Depreciation (less)	(147.34)	(147.34)
<b>Balance as at March 31, 2023</b>	<b>368.73</b>	<b>368.73</b>
<b>Balance as at April 1, 2023</b>	368.73	368.73
Additions	62.69	62.69
Reversals (less)	(21.53)	(21.53)
Depreciation (less)	(163.04)	(163.04)
<b>Balance as at March 31, 2024</b>	<b>246.85</b>	<b>246.85</b>

c Set out below are the carrying amounts of lease liabilities and the movement during the year

	March 31, 2024	March 31, 2023
<b>Balance at the beginning of the year</b>	398.29	291.13
Additions	60.05	256.17
Accretion of interest	31.71	33.24
Payments	(182.73)	(167.04)
Reversals	(22.81)	(15.21)
<b>Balance at the end of the year</b>	<b>284.51</b>	<b>398.29</b>
Current	116.81	149.59
Non - Current	167.70	248.70
Cash outflows for leases	182.73	167.04

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

d The following are recognised in the statement of profit and loss

	March 31, 2024	March 31, 2023
Depreciation expenses of right of use assets	163.04	147.34
Interest expenses on lease liabilities	31.71	33.24
Gain on termination of lease	(3.42)	(3.00)
Expenses relating to short term leases and leases of low value assets	26.54	25.75
<b>Total amount recognised in profit or loss</b>	<b>217.87</b>	<b>203.33</b>

### 14 Investments

A Non-current investments

	March 31, 2024	March 31, 2023
<b>Unquoted investments in equity instruments</b>		
<b>Investments in subsidiaries</b>		
TVS SCS Global Freight Solutions Limited	87.64	87.64
12,00,000 (March 31, 2023: 12,00,000) equity shares of ₹ 10 each fully paid up		
TVS SCS (Siam) Limited, Thailand (refer note below)	1.88	1.88
1,00,000 (March 31, 2023: 1,00,000) ordinary shares of 100 Baht each fully paid up		
TVS America Inc.	0.90	0.90
490 (March 31, 2023: 490) shares of no par value		
TVS Logistics Investment UK Limited	789.49	50.67
74,24,815 (March 31, 2023: 61,95,698) ordinary shares of 1 GBP each fully paid up		
TVS Logistics Investments USA Inc.	312.00	36.67
61,510 (March 31, 2023: 61,510) shares of no par value		
FLEXOL Packaging (India) Limited	19.10	19.10
7,70,416 (March 31, 2023: 7,70,416) equity shares of ₹ 10 each fully paid up		
SPC International (India) Private Limited	5.61	5.61
51,000 (March 31, 2023: 51,000) equity shares of ₹ 100 each fully paid up		
TVS Packaging Solutions Private Limited	0.01	0.01
10,000 (March 31, 2023: 10,000) equity shares of ₹ 10 each fully paid up		
TVS Supply Chain Solutions Pte. Ltd., Singapore	369.22	182.60
4,15,27,069 (March 31, 2023: 3,48,49,324) equity shares of SGD 1 each fully paid up		
TVS Toyota Tsusho Supply Chain Solutions Limited	1.20	1.20
12,00,000 (March 31, 2023: 12,00,000) equity shares of ₹ 10 each fully paid up		
White Data Systems India Private Limited	106.06	42.20
41,32,961 (March 31, 2023: 21,07,810) equity shares of ₹ 10 each fully paid up		
Fit 3PL Warehousing Private Limited	204.10	204.10
2,00,000 (March 31, 2023: 2,00,000) equity shares of ₹ 100 each fully paid up		
	<b>1,897.21</b>	<b>632.58</b>
<b>Investments in joint venture</b>		
TVS Industrial & Logistics Parks Private Limited (refer note 43(ii))	11.67	13.75
46,67,067 (March 31, 2023: 55,00,000) equity shares of ₹ 10 each fully paid up		
	<b>11.67</b>	<b>13.75</b>



## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

	March 31, 2024	March 31, 2023
<b>Unquoted investment in preference shares carried at amortised cost</b>		
Cargowings Logistics Limited	25.00	25.00
2,50,00,000 (March 31, 2023: 2,50,00,000) redeemable preference shares ("RPS") of ₹ 10 each fully paid up		
	<b>25.00</b>	<b>25.00</b>
<b>Unquoted investment in body corporate at fair value</b>		
Tamil nadu Apex Skill Development Centre for Logistics	0.20	0.20
2,00,000 (March 31, 2023: 2,00,000) equity shares of ₹ 10 each fully paid up		
	<b>0.20</b>	<b>0.20</b>
<b>Provision for decline in fair value of investments</b>		
<b>Unquoted investments in equity instruments/ preference shares</b>		
TVS America Inc.	(0.90)	(0.90)
TVS SCS (Siam) Limited, Thailand	(1.88)	-
Cargowings Logistics Limited	(25.00)	(25.00)
	<b>(27.78)</b>	<b>(25.90)</b>
<b>Total non-current investments</b>	<b>1,906.30</b>	<b>645.63</b>
Aggregate amount of unquoted investments	<b>1,934.08</b>	<b>671.53</b>
Aggregate amount of impairment in the value of investments	<b>27.78</b>	<b>25.90</b>

Note:

The Board of Directors in their meeting dated March 25, 2024 approved the proposal for dissolution of TVS SCS (SIAM) Limited, a wholly owned subsidiary. Consequently, the Company impaired the investments made and loans & other receivables due to the Company aggregating to ₹ 9.41 crores to the statement of profit and loss for the year ended March 31, 2024.

For details of ownership data, please refer note 46

### 15 Loans

	Current	
	March 31, 2024	March 31, 2023
<b>Loans to related parties</b>		
Unsecured, considered good (refer note 34)	119.40	524.01
Unsecured, considered doubtful	4.96	-
Provision for doubtful loans to related parties (refer note 14)	(4.96)	-
	<b>119.40</b>	<b>524.01</b>
<b>Loans to others</b>		
Unsecured, considered doubtful	10.05	10.05
Provision for doubtful loans to others	(10.05)	(10.05)
	<b>-</b>	<b>-</b>
	<b>119.40</b>	<b>524.01</b>

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### Details of loan given to promoter, director, key managerial person or related parties that are repayable on demand:

Name of the borrower (Wholly Owned Subsidiaries)*	Rate of interest	March 31, 2024		March 31, 2023	
		Outstanding loan	%	Outstanding loan	%
TVS Logistics Investment UK Limited, UK	7.78% to 8.98%	-	0.00%	401.38	76.60%
TVS SCS (Siam) Limited, Thailand (refer note 14)	7.25%	4.96	3.99%	4.89	0.93%
TVS Logistics Investment USA Inc	6.76% to 7.93%	119.40	96.01%	117.74	22.47%
		<b>124.36</b>	<b>100.00%</b>	<b>524.01</b>	<b>100.00%</b>

\* The above mentioned loans were provided to Wholly Owned Subsidiaries for working capital requirements.

### 16 Deposits and other receivables

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Security deposits</b>				
Unsecured, considered good	34.74	44.88	28.33	15.00
Unsecured, considered doubtful	-	-	1.13	1.13
Provision for doubtful security deposits	-	-	(1.13)	(1.13)
	<b>34.74</b>	<b>44.88</b>	<b>28.33</b>	<b>15.00</b>
<b>Security deposit with related parties</b>				
Unsecured, considered good	7.19	6.56	-	-
	<b>7.19</b>	<b>6.56</b>	<b>-</b>	<b>-</b>
<b>Other receivables</b>				
Advances to employees	-	-	5.86	6.24
Finance lease receivables (refer note 31)	3.79	7.46	3.44	4.09
Receivable from subsidiaries (refer note 34)	61.95	22.45	170.38	250.44
Receivable from others				
Considered doubtful	10.06	-	2.57	7.81
Provision for doubtful receivables	(10.06)	-	(2.57)	(7.81)
	<b>65.74</b>	<b>29.91</b>	<b>179.68</b>	<b>260.77</b>
	<b>107.67</b>	<b>81.35</b>	<b>208.01</b>	<b>275.77</b>

### 17 Other financial assets

	Current	
	March 31, 2024	March 31, 2023
Advances recoverable in cash or kind		
Unsecured, considered good	0.33	0.33
Interest accrued on fixed deposits	0.78	0.98
Others	0.17	0.01
	<b>1.28</b>	<b>1.32</b>

For other financial assets secured against borrowings, see note 25.

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 18 Other non-current assets

	March 31, 2024	March 31, 2023
<b>Capital advances</b>		
Unsecured considered good	2.02	3.74
	<b>2.02</b>	<b>3.74</b>
<b>Others</b>		
Prepaid expenses	0.25	0.03
	<b>0.25</b>	<b>0.03</b>
	<b>2.27</b>	<b>3.77</b>

### 19 Inventories

	March 31, 2024	March 31, 2023
Stores and spares	2.64	3.07
	<b>2.64</b>	<b>3.07</b>
<b>Of the above, goods in transit</b>	-	-

For inventories secured against borrowings, see note 25.

### 20 Trade receivables

	March 31, 2024	March 31, 2023
<b>Unsecured Considered good</b>		
Trade receivables from others	319.30	236.84
Trade receivables from related parties (refer note 34)	31.87	29.97
	<b>351.17</b>	<b>266.81</b>
Trade receivables - credit impaired	91.80	93.20
<b>Total Trade receivables</b>	<b>442.97</b>	<b>360.01</b>
<b>Loss Allowance</b>		
Trade receivables - credit impaired	(91.80)	(93.20)
<b>Trade Receivables</b>	<b>351.17</b>	<b>266.81</b>
<b>Non-current</b>	<b>6.04</b>	<b>6.04</b>
<b>Current</b>	<b>345.13</b>	<b>260.77</b>

The Company's exposure to credit and currency risks, related to trade receivables are disclosed in note 37.

#### Ageing of trade receivable from the due date of payment:

##### Non-Current

March 31, 2024

	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
<b>Unsecured, considered good</b>							
Undisputed	6.04	-	-	-	-	-	6.04
	<b>6.04</b>	-	-	-	-	-	<b>6.04</b>

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 20 Trade receivables (Contd.)

March 31, 2023

	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
<b>Unsecured, considered good</b>							
Undisputed	6.04	-	-	-	-	-	6.04
	<b>6.04</b>	-	-	-	-	-	<b>6.04</b>

##### Current

March 31, 2024

	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
<b>Unsecured, considered good</b>							
Undisputed	193.60	99.91	30.56	0.47	0.00	20.59	345.13
	<b>193.60</b>	<b>99.91</b>	<b>30.56</b>	<b>0.47</b>	<b>0.00</b>	<b>20.59</b>	<b>345.13</b>
<b>Trade Receivables - credit impaired</b>							
Undisputed	13.04	6.98	2.42	3.83	28.45	27.20	81.92
Disputed	-	-	-	-	-	9.88	9.88
	<b>13.04</b>	<b>6.98</b>	<b>2.42</b>	<b>3.83</b>	<b>28.45</b>	<b>37.08</b>	<b>91.80</b>
	<b>206.64</b>	<b>106.89</b>	<b>32.98</b>	<b>4.30</b>	<b>28.45</b>	<b>57.67</b>	<b>436.93</b>

March 31, 2023

	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
<b>Unsecured, considered good</b>							
Undisputed	166.47	82.33	3.76	-	-	8.21	260.77
	<b>166.47</b>	<b>82.33</b>	<b>3.76</b>	-	-	<b>8.21</b>	<b>260.77</b>
<b>Trade Receivables - credit impaired</b>							
Undisputed	2.97	5.77	1.97	44.51	17.98	11.87	85.07
Disputed	-	-	-	-	-	8.13	8.13
	<b>2.97</b>	<b>5.77</b>	<b>1.97</b>	<b>44.51</b>	<b>17.98</b>	<b>20.00</b>	<b>93.20</b>
	<b>169.44</b>	<b>88.10</b>	<b>5.73</b>	<b>44.51</b>	<b>17.98</b>	<b>28.21</b>	<b>353.97</b>

Note - No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Trade receivables including receivables from related parties are non-interest bearing and are generally on terms of 30 to 90 days. Refer Note 34 for disclosure on related parties.

#### 20A Transferred financial assets that are derecognised in their entirety and with continuing involvement

The Company has 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 balance sheet. The amounts collected on behalf of the factor has been disclosed under other financial liabilities.

Particulars	March 31, 2024	March 31, 2023
Carrying amount of transferred receivables	10.77	201.94
Carrying amount of exposures retained by the Company	-	-



## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 21 Cash and cash equivalents

	March 31, 2024	March 31, 2023
Cash on hand	0.04	0.21
Balance with banks		
On current accounts	74.05	282.76
Deposits with original maturity of less than three months	1.51	5.07
	<b>75.60</b>	<b>288.04</b>

The Company has ₹ 682.80 crores of undrawn committed borrowings facilities as at March 31, 2024 (March 31, 2023: ₹ 323.91 crores).

### 22 Other bank balances

	March 31, 2024	March 31, 2023
Deposits with original maturity of more than 3 months	60.31	35.25
	60.31	35.25

### 23 Other current assets

	March 31, 2024	March 31, 2023
<b>Advance related to supply of goods and services to parties other than related parties</b>		
Unsecured considered good	13.60	28.60
Unsecured considered doubtful	15.78	15.78
Provision for doubtful advances	(15.78)	(15.78)
	<b>13.60</b>	<b>28.60</b>
<b>Advance for supply of goods and services to related parties</b>		
Unsecured, considered good	-	4.58
	-	<b>4.58</b>
Unbilled revenue	164.60	134.61
<b>Other current assets</b>		
Prepaid expenses	6.59	53.96
Balances with government authorities	31.51	32.66
Others	0.02	0.05
	<b>38.12</b>	<b>86.67</b>
	<b>216.32</b>	<b>254.46</b>

For other current assets secured against borrowings, see note 25.

### 24A Share capital

	March 31, 2024	March 31, 2023
<b>Authorised share capital</b>		
58,26,00,000 equity shares of ₹ 1 each (March 31, 2023: 58,80,00,000)	58.26	58.26
12,00,000 (March 31, 2023: 12,00,000) preference shares of ₹ 10 each #	1.20	1.20
31,54,000 (March 31, 2023: 11,00,000) preference shares of ₹ 100 each	31.54	31.54
3,00,00,000 (March 31, 2023: 3,00,00,000) preference shares of ₹ 1 each	3.00	3.00
<b>Issued</b>		
Equity shares		
13,81,04,010 (March 31, 2023: 13,81,04,010) equity shares of ₹ 1 each at par	13.81	13.81

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

### 24A Share capital (Contd.)

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

	March 31, 2024	March 31, 2023
5,06,68,000 (March 31, 2023: 5,06,68,000) equity shares of ₹ 1 each at a premium of ₹ 18.57	5.07	5.07
3,22,31,940 (March 31, 2023: 3,22,31,940) equity shares of ₹ 1 each at a premium of ₹ 18.50	3.22	3.22
27,58,000 (March 31, 2023: 27,58,000) equity shares of ₹ 1 each at a premium of ₹ 6.50	0.28	0.28
4,45,68,160 (March 31, 2023: 4,45,68,160) equity shares of ₹ 1 each at a premium of ₹ 42.49	4.46	4.46
1,79,86,070 (March 31, 2023: 1,79,86,070) equity shares of ₹ 1 each at a premium of ₹ 68.50	1.80	1.80
4,31,76,100 (March 31, 2023: 4,31,76,100) equity shares of ₹ 1 each at a premium of ₹ 143.75	4.32	4.32
19,00,000 (March 31, 2023: 19,00,000) equity shares of ₹ 1 each	0.19	0.19
14,33,820 (March 31, 2023: 14,33,820) equity shares of ₹1 each at a premium of ₹ 127.00	0.14	0.14
4,12,54,588 (March 31, 2023: 3,26,45,870) equity shares of ₹ 1 each at a premium of ₹ 94.00	4.13	3.27
40,10,695 (March 31, 2023: Nil) equity shares of ₹1 each at a premium of ₹186.00	0.40	-
3,31,93,725 (March 31, 2023: Nil) equity shares of ₹1 each at a premium of ₹166.55	3.32	-
3,04,56,852 (March 31, 2023: Nil) equity shares of ₹1 each at a premium of ₹196.00	3.04	-
<b>Total issued capital</b>	<b>44.18</b>	<b>36.56</b>
<b>Called, Subscribed and Paid up</b>		
Equity shares		
44,02,08,910 equity shares of ₹ 1 each (March 31, 2023: 36,39,38,920 equity shares of ₹ 1 each)	44.02	36.40
Add: Amount paid up on 16,00,000 equity shares of ₹ 1 each forfeited at ₹ 0.2 each (March 31, 2023: 16,00,000 equity shares of ₹ 1 each forfeited at ₹ 0.2 each)	0.03	0.03
	<b>44.05</b>	<b>36.43</b>

# 15,351 (March 31, 2023: 15,351) 0.0001% cumulative, redeemable, non-convertible, participating preference shares have been classified as a financial liability (see note 25).

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

	March 31, 2024		March 31, 2023	
	Nos	₹ in crores	Nos	₹ in crores
<b>Equity shares</b>				
At the beginning of the year	36,39,38,920	36.40	36,26,37,230	36.27
Shares issued during the year	7,62,69,990	7.62	13,01,690	0.13
<b>Outstanding at the end of the year</b>	<b>44,02,08,910</b>	<b>44.02</b>	<b>36,39,38,920</b>	<b>36.40</b>

#### b. Terms/rghts attached to equity shares

The Company has one class of equity shares having face value of ₹ 1 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.

#### c. Terms/rights attached to preference shares

The preference shares shall be cumulative, redeemable, non-convertible, participating preference shares ('preference shares'). The preference shares shall carry a preferential right to dividends over the Equity Shares. The preference shares shall carry a fixed rate of preferential dividend at the rate of 0.0001% per annum. In addition to the fixed rate of dividend, the preference shareholders shall, at their discretion, be entitled to additional preferential dividend and carry a preferential right to dividends over the equity shares. The preference shares shall be redeemed, from time to time as may be required by the preference shareholders at face value plus the redemption premium payable thereon no later than 20 years from the date of allotment or longer period as may be prescribed by law.

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

### 24A Share capital (Contd.)

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

The holder of preference shares have a right to vote only on resolutions placed before the company which directly affect the rights attached to preference shares and, any resolution for the winding up of the company or for the repayment or reduction of its equity or preference share capital and voting right on a poll shall be in proportion to the share in the paid-up preference share capital of the company. On winding up or repayment of capital, the preference shareholders shall carry a preferential right of repayment.

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

	March 31, 2024		March 31, 2023	
	Number of shares	% holding	Number of shares	% holding
<b>Equity shares of ₹ 1 each (March 2023: ₹ 1 each), fully paid up</b>				
TVS Mobility Private Limited	10,72,73,430	24.37%	10,72,73,430	29.48%
T S Rajam Rubbers Private Limited	6,56,13,570	14.91%	6,56,13,570	18.03%
Exor Special Opportunities Master Fund	4,25,69,160	9.67%	4,25,69,160	11.70%
Mahogany Logistics Services Private Limited (Formerly known as 'DRSR Logistics Services Private Limited')	3,75,02,140	8.52%	3,75,02,140	10.30%
Mahogany Singapore Company Pte. Ltd	1,88,39,310	4.28%	1,88,39,310	5.18%
<b>0.0001% Cumulative, redeemable, non-convertible, participating preference shares of ₹ 10 each, fully paid up</b>				
Tata International Limited	7,677	50.01%	7,677	50.01%
Tata Industries Limited	7,674	49.99%	7,674	49.99%

#### e. Details of shareholding of promoters

	March 31, 2024			March 31, 2023		
	Number of shares	% holding	% Change during the year	Number of shares	% holding	% Change during the year
TVS Mobility Private Limited	10,72,73,430	24.37%	0.00%	10,72,73,430	29.48%	0.00%
T S Rajam Rubbers Private Limited	6,56,13,570	14.91%	0.00%	6,56,13,570	18.03%	0.00%
Ramachandhran Dinesh	72,12,620	1.64%	0.00%	72,12,620	1.98%	0.00%
Dhinrama Mobility Solution Private Limited	53,14,930	1.21%	0.00%	53,14,930	1.46%	0.00%

### 24B Other Equity

#### Securities premium

Securities premium represents premium received on issue of shares and it is utilised in accordance with the provisions for the Companies Act, 2013.

#### Capital reserve

During earlier years, the Company had reissued the shares forfeited and the profit on reissue of such forfeited shares were transferred to capital reserve

#### Capital redemption reserve

During the year ended March 31, 2018, the Company had redeemed preference shares issued to Tata International Limited and Tata Industries Limited, out of profits of the Company. A sum equivalent to the nominal amount of

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

### 24B Other Equity (Contd.)

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

the shares redeemed had been transferred to capital redemption reserve in accordance with the provisions of the Companies Act, 2013.

#### Share options

The Company has Management Incentive Plan (MIP) scheme under which share options are granted to employees which has been approved by the shareholders of the company. In accordance with the terms of the plan, eligible employees may be granted options to purchase equity shares of the Company if they are in service on exercise of the grant. Each employee share option converts into one equity share of the company on exercise at the exercise price as per the scheme. The option carry neither rights to dividend nor voting rights. Options can be exercised at any time from the date of vesting to the date of their expiry.

### 24C Other items of OCI

#### Remeasurements of defined benefit liability (asset)

	March 31, 2024	March 31, 2023
Opening balance	(1.87)	(0.04)
Re-measurement gains/ (losses) on defined benefit plans (net of taxes)	(2.11)	(1.83)
Closing balance	<b>(3.98)</b>	<b>(1.87)</b>

#### Re-measurement gains/ (losses) on defined benefit plans

Re-measurement gains/ (losses) on defined benefit plans comprises actuarial gains and losses and return on plan assets (excluding interest income).

### 24D Capital management

The Company intends to maintain a strong capital base so as to maintain investor, creditor confidence and to sustain future development of the business

The Company monitors capital using a ratio of 'debt' to 'equity'. For this purpose, debt is defined as total debt, comprising interest-bearing loans and borrowings and obligations under finance leases. Equity comprises all components of equity. There were no changes to the measure of monitoring capital in the periods presented.

The Company's debt to equity ratio is as follows:

	March 31, 2024	March 31, 2023
Non-current borrowings	2.75	36.69
Current borrowings and current maturities of non-current borrowings	244.87	441.97
<b>Debt</b>	<b>247.62</b>	<b>478.66</b>
Total equity	2,560.42	1,492.58
<b>Debt to equity ratio</b>	<b>0.10</b>	<b>0.32</b>

### 24E Earnings per share

#### Basic and diluted earnings per share

The calculations of profit/(loss) 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

	March 31, 2024	March 31, 2023
Profit (loss) for the year, attributable to the equity holders	105.45	(29.26)



## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### (ii) Weighted average number of equity shares

	March 31, 2024	March 31, 2023
Weighted average number of equity shares	39,03,88,305	36,38,76,252
Add - Number of shares relating to compulsorily convertible preference shares	3,14,89,280	1,91,04,562
Weighted average number of equity shares used in the calculation of basic earnings per share	<b>42,18,77,585</b>	<b>38,29,80,814</b>
Adjustments for dilutive effect		
- Number of shares relating to Management Incentive Plan	61,24,778	76,57,931
Weighted average number of equity shares used in the calculation of diluted earnings per share	<b>42,80,02,363</b>	<b>39,06,38,745</b>

### 25 Borrowings

	March 31, 2024	March 31, 2023
<b>(a) Non-current borrowings</b>		
Secured term loans from banks	2.75	36.69
<b>Total non-current borrowings</b>	<b>2.75</b>	<b>36.69</b>
<b>(b) Current borrowings</b>		
<b>Loans repayable on demand</b>		
Secured	60.00	75.00
Unsecured	173.69	331.48
<b>Redeemable preference shares (unsecured)</b>	8.92	8.92
<b>Compulsorily convertible preference shares (unsecured) (Refer note below)</b>	-	292.30
	<b>242.61</b>	<b>707.70</b>
<b>Current portion of non-current borrowings</b>		
Secured term loans from banks	2.26	26.57
	2.26	26.57
<b>Total current borrowings</b>	<b>244.87</b>	<b>734.27</b>

Information about Company's exposure to interest rate and liquidity risks is included in note 37.

### A Terms and repayment schedule

#### Terms and conditions of outstanding borrowings are as follows:

In crores of ₹	Carrying amount as at			March 31, 2024	March 31, 2023
	Currency	Nominal Interest rate	Year of maturity		
<b>Secured Term loan from banks</b>					
IDFC First Bank Limited	GBP	3.40%	2023	-	8.45
IDFC First Bank Limited	INR	6 Month MCLR + 5 bps	2025	-	50.00
HDFC Bank Limited	INR	8.7% - 9.35%	2023	5.01	4.81
				<b>5.01</b>	<b>63.26</b>
<b>Secured loans repayable on demand *</b>					
State Bank of India Limited	INR	7.85%- 7.90%	-	60.00	75.00
				<b>60.00</b>	<b>75.00</b>
<b>Unsecured loans repayable on demand *</b>					
Related party - White Data Systems India Private Limited	INR	8.50%-8.55%	-	-	1.90
Related party - TVS SCS Global Freight Solutions Limited	INR	8.50%-8.55%	-	106.00	-

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

In crores of ₹	Carrying amount as at			March 31, 2024	March 31, 2023
	Currency	Nominal Interest rate	Year of maturity		
Standard Chartered Bank Limited	INR	7.65% - 8.60%	-	-	60.00
IDFC First Bank Limited	INR	8.5% - 9.1%	-	-	20.00
HDFC Bank Limited	INR	7.94% - 8.75%	-	-	114.40
DBS Bank Limited	INR	8.50% - 8.96%	-	-	40.20
Yes Bank Limited	INR	7.60%-7.95%	Nil	56.80	-
Axis Bank Limited	INR	7.85% - 8.65%	-	10.89	94.98
				<b>173.69</b>	<b>331.48</b>
<b>Redeemable preference shares (unsecured)</b>					
Unsecured	INR	0.0001%	-	8.92	8.92
				<b>8.92</b>	<b>8.92</b>
<b>Non-Participating, Compulsorily Convertible Preference Shares</b>					
Unsecured (refer note below)	INR	0.0001%	-	-	292.30
				-	<b>292.30</b>
				<b>247.62</b>	<b>770.96</b>

\* These are repayable on demand or payable within a period of 12 months.

#### Note:

During the year ended March 31, 2023, the Company had allotted 31,53,220 Series A Compulsorily Convertible Preference Shares ("CCPS") of ₹ 100 each, at a premium of ₹ 272 & 97,22,222 Series E Compulsorily Convertible Preference Shares ("CCPS") of ₹ 1 each, at a premium of ₹ 179 each respectively to identified persons on a preferential basis. Each CCPS carried a cumulative preferential dividend rate of 0.0001% per annum on the subscription price of the CCPS and was non-participating preference shares. CCPS were convertible compulsorily and automatically into such number of equity shares as per a pre-determined formula at the conversion date, which was linked to the likelihood of IPO happening before a particular date as specified in the share purchase agreements and various possible valuation outcomes from the IPO of the equity shares of the Company.

Subsequently, on July 27, 2023, prior to the IPO, the company converted these Compulsorily Convertible Preference Shares into Equity at the agreed conversion ratio. Also refer Note 43(ii) on Exceptional Items.

### B Secured loans

#### Secured term loan from banks

Term loans from HDFC Bank Limited are secured by hypothecation of vehicles acquired out of the loan.

#### Secured loans repayable on demand from banks

Loan repayable on demand from State Bank of India Limited is secured against the current assets of the Company including book debts and other current assets.

### C Redeemable Preference Shares

The Company has cumulative, redeemable, non-convertible, participating preference shares. These preference shares have been classified as a liability. For rights, preferences and restrictions attached to preference shares attached to these preference shares refer note 24A.

### D Changes in liabilities arising from financing activities

Certain items of plant and machinery have been obtained on finance lease basis. The legal title to these items vests with their lessor. The total future minimum lease payments at the balance sheet date, element of interest included in such payments, and present value of these minimum lease payments are as follows:

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

	March 31, 2024	March 31, 2023
Opening borrowing	770.96	402.66
Cash flows	(523.07)	368.45
Changes in fair values	(0.27)	(0.15)
<b>Closing borrowing</b>	<b>247.62</b>	<b>770.96</b>

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

### G Utilisation of borrowings

- The Company has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.
- 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.

### 26 Trade payables

	March 31, 2024	March 31, 2023
Trade payables to related parties (refer note 34)	1.14	5.71
Dues to micro enterprises and small enterprises (refer note 33)	64.22	99.39
Other trade payables	292.25	317.95
	<b>357.61</b>	<b>423.05</b>

Ageing of trade payables from the due date of payment:

March 31, 2024

	Not due	< 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - micro enterprises and small enterprises	59.72	4.50	-	-	-	64.22
Undisputed dues - Others	276.25	11.89	1.01	1.20	3.04	293.39
	<b>335.97</b>	<b>16.39</b>	<b>1.01</b>	<b>1.20</b>	<b>3.04</b>	<b>357.61</b>

March 31, 2023

	Not due	< 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - micro enterprises and small enterprises	66.90	30.81	0.94	0.33	0.41	99.39
Undisputed dues - Others	296.16	23.92	0.60	0.68	2.30	323.66
	<b>363.06</b>	<b>54.73</b>	<b>1.54</b>	<b>1.01</b>	<b>2.71</b>	<b>423.05</b>

There are no “unbilled and not due” trade payables, hence the same are not disclosed in the ageing schedule.

Note: Trade payables are non-interest bearing and are normally settled on 30 to 60 day credit terms. Information about Group’s exposure to market risks and liquidity risks is included in note 37.

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 27 Other financial liabilities

	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Interest accrued but not due on borrowings	-	-	0.10	1.80
Payable to factor (refer note 20A)	-	-	1.25	97.61
Capital creditors	-	-	4.93	3.30
Amount due to employees	-	-	31.13	71.91
Financial guarantee liability	4.64	22.45	9.71	19.42
Dues to subsidiaries	-	-	39.24	30.10
	<b>4.64</b>	<b>22.45</b>	<b>86.36</b>	<b>224.14</b>

### 28 Provisions

	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Provisions for employee benefits				
Liability for gratuity	13.56	5.78	-	4.50
Liability for compensated absences	3.79	3.36	7.03	7.00
	<b>17.35</b>	<b>9.14</b>	<b>7.03</b>	<b>11.50</b>

### 29 Other current liabilities

	March 31, 2024	March 31, 2023
Statutory dues	41.13	46.50
Advance from customers	13.17	13.77
Other current liabilities	0.21	0.09
	<b>54.51</b>	<b>60.36</b>

### 30 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 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 ₹ 32.85 crores (March 31, 2023: ₹ 34.59 crores).

#### Defined benefit plans

	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Provision for gratuity	13.56	5.78	-	4.50

For details about the related employee benefit expenses, see note 7.

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.



## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

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 plan of the Company is a partially funded plan with the Company making periodic contributions to a fund managed by Life Insurance Corporation (LIC).

### 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

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	31.26	27.24
Benefits paid	(3.94)	(3.45)
Current service cost	3.10	3.06
Interest cost	1.54	0.98
Actuarial (gains) losses recognised in other comprehensive income		
- changes in demographic assumptions	0.26	(0.43)
- changes in financial assumptions	(0.52)	(0.75)
- experience adjustments	3.04	4.61
<b>Balance at the end of the year</b>	<b>34.74</b>	<b>31.26</b>

#### Reconciliation of the fair value of plan assets

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	20.98	19.69
Contributions paid into the plan	2.67	3.00
Benefits paid	(3.94)	(3.46)
Interest income	1.51	1.13
Actuarial gains / (losses) recognised in other comprehensive income	(0.04)	0.62
<b>Balance at the end of the year</b>	<b>21.18</b>	<b>20.98</b>
<b>Net defined benefit (asset) / liability</b>	<b>13.56</b>	<b>10.28</b>

### C. Expense recognised in profit or loss

	March 31, 2024	March 31, 2023
Current service cost	3.10	3.06
Interest cost	1.54	0.98
Interest income	(1.51)	(1.13)
	<b>3.14</b>	<b>2.91</b>

### D. Remeasurements recognised in other comprehensive income

	March 31, 2024	March 31, 2023
Actuarial gain/ (loss) on defined benefit obligation	(2.78)	(3.43)
Actuarial gain/ (loss) on plan assets	(0.04)	0.62
	<b>(2.82)</b>	<b>(2.81)</b>

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### E. Plan assets

	March 31, 2024	March 31, 2023
<b>Plan assets comprise of the following:</b>		
Insurer managed funds	21.18	20.98
	<b>21.18</b>	<b>20.98</b>

### F. Defined benefit obligation

#### i. Actuarial assumptions

	March 31, 2024	March 31, 2023
<b>Principal actuarial assumptions at the reporting date were:</b>		
Discount rate	7.10%	7.20%
Future salary growth	7.00%	8.00%
Attrition rate	59.00%	63.00%
Expected return on plan assets	7.10%	7.20%

#### ii. Sensitivity analysis

The sensitivity analyses have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. 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:

	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.39)	0.41	(0.33)	0.34
Future salary growth (1% movement)	0.56	(0.55)	0.47	(0.47)
Attrition rate (1% movement)	(0.06)	0.06	(0.06)	0.06

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.

### G. Maturity Profile of Defined Benefit Obligation

	March 31, 2024	March 31, 2023
Within the next 12 months (next annual reporting period)	20.76	19.77
Between 2 and 5 years	16.50	13.76
Between 6 and 10 years	0.67	0.39
Beyond 10 years	0.01	-
<b>Total expected payments</b>	<b>37.94</b>	<b>33.92</b>

The average duration of the defined benefit plan obligation at the end of the reporting year is 1.69 years (March 31, 2023: 1.58 years).

### Share based payments

The company has Management Incentive Plan (MIP) scheme under which share options are granted to employees which has been approved by the shareholders of the company. In accordance with the terms of the plan, eligible employees may be granted options to purchase equity shares of the company if they are in service on exercise of the grant. Each employee share option converts into one equity share of the company on exercise at the exercise price as per the scheme. The option carry neither rights to dividend nor voting rights. Options can be exercised at any time from the date of vesting to the date of their expiry.

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### Fair value of share options granted during the year

During the years ended March 31, 2024 and March 31, 2023 the Company has not granted any stock options. Options were priced using a Black Scholes option valuation model & Monte Carlo simulation model for MIP I and II respectively. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations. Expected volatility is based on the historical share price volatility of guideline companies in developed and developing countries.

\* Fair value option of equity shares issued under this grant is post share split with a face value of ₹ 1/- each

### Inputs in to the model:

	MIP I	MIP I	MIP I	MIP I	MIP II - Pool A & Pool B	MIP II - Pool A & Pool B	MIP II - Pool A & Pool B
Grant date share price *	96.40	153.15	141.89	141.89	96.40	119.38	119.38
Grant date	20-Nov-18	14-Feb-20	20-Nov-20	09-Feb-21	20-Nov-18	16-May-19	01-Jul-19
Exercise price	95.00	95.00	95.00	95.00	95.00	95.00	95.00
Expected volatility	32.00%	35.90%	52.30%	52.30%	33.10%	36.23%	36.23%
Option life	2.36 years	1.13 years	1 year	1 year	3.61 years	3.13 years	3 years
Dividend yield	0.15%	0.00%	0.00%	0.00%	0.15%	0.00%	0.00%
Risk free interest rate	7.28%	5.10%	3.80%	3.80%	7.50%	6.44%	6.44%

	MIP I	MIP II
Grant date share price *	127.70	127.70
Grant date	08-Feb-22	08-Feb-22
Exercise price	95.00	95.00
Expected volatility	53.40%	53.25%
Option life	1 year	1.39 years
Dividend yield	0.00%	0.00%
Risk free interest rate	4.40%	4.35%

\* Before adjustment of lack of marketability

### Movements in share options during the year

MIP I	Year ended March 31, 2024 Number of Options	Weighted average exercise price	Year ended March 31, 2023 Number of Options	Weighted average exercise price
Opening at the beginning of the year	1,23,53,220	95.00	1,25,93,450	95.00
Granted during the year	-	-	-	-
Exercised during the year *	73,27,169	95.00	1,01,670	95.00
Forfeited and expired during the year	11,47,690	95.00	1,38,560	95.00
<b>Balance at the end of the year</b>	<b>38,78,361</b>	<b>95.00</b>	<b>1,23,53,220</b>	<b>95.00</b>
<b>Share options vested but not exercised</b>	<b>38,78,361</b>		<b>1,23,53,220</b>	

\* The weighted average market price of equity shares for options exercised during the year is ₹ 154.40 (Previous year: ₹ 180.00)

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

MIP II	Year ended March 31, 2024 Number of Options	Weighted average exercise price	Year ended March 31, 2023 Number of Options	Weighted average exercise price
Opening at the beginning of the year	42,57,330	95.00	45,22,890	95.00
Granted during the year	-	-	-	-
Exercised during the year	12,81,549	95.00	-	-
Forfeited and expired during the year	5,38,440	95.00	2,65,560	95.00
<b>Balance at the end of the year</b>	<b>24,37,341</b>	<b>95.00</b>	<b>42,57,330</b>	<b>95.00</b>
<b>Share options vested but not exercised</b>	<b>24,37,341</b>		-	

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 95 and a weighted average remaining contractual life of Nil (March 31, 2023: 0.25 years).

### 31 Leases

#### Finance leases as lessor

The Company's leasing arrangement represents the certain forklifts and other assets given to customers which have been classified under Ind AS 116 on Leases as Finance lease. The lease term covers the substantial period of the assets and all the risks and rewards of ownership are transferred to the lessee. The Company records disposal of the property concerned and recognises the finance income as part of Other income.

The reconciliation between the gross investment in the lease at the end of the reporting year, and the present value of minimum lease payments receivable at the end of the reporting year are as follows:

	March 31, 2024	March 31, 2023
Gross investment	8.21	13.65
Unearned finance income	(0.98)	(2.10)
<b>Net investment</b>	<b>7.23</b>	<b>11.55</b>

#### Finance leases are receivable as follows:

	March 31, 2024	March 31, 2023
<b>Gross investment</b>		
Receivable within one year	3.85	5.20
Receivable between one and five years	4.33	8.41
Receivable after five years	0.03	0.04
<b>Total</b>	<b>8.21</b>	<b>13.65</b>
<b>Present value of minimum lease payments</b>		
Receivable within one year	3.21	4.09
Receivable between one and five years	3.99	7.43
Receivable after five years	0.02	0.03
<b>Total</b>	<b>7.23</b>	<b>11.55</b>



## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 32 Capital commitments and contingent liabilities

	March 31, 2024	March 31, 2023
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	7.10	13.46
<b>Contingent liabilities:</b>		
Employee related matters*	21.84	21.84
Corporate guarantee	880.52	1,629.24
Income tax related matters	50.74	13.64
Bank guarantees issued	22.33	0.76
Service tax related matters	14.61	6.07
Sales tax related matters	0.57	1.58
GST related matters	18.60	6.14
Claims agasint company not acknowledged as debt	4.15	4.82

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 challenged the demand orders from Provident Fund authorities aggregating to ₹ 21.84 crores for the periods April 2011 to February 2015 on the grounds that provident fund on certain allowances need not be included for calculation of the Provident Fund contribution, as the same is not universally paid to all the employees of the Company. The Hon'ble Supreme Court of India by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion for the purposes of computation of the Provident Fund contribution.

With respect to the demand order for the period from April 2011 to October 2013 amounting to ₹ 12.49 crore, the Company filed a review petition to Regional Provident Fund Commissioner to review the demand order in the light of the Supreme Court decision and the Company has also obtained an interim injunction dated September 13, 2019 from Honourable High Court of Madras, which has directed the Employee Provident fund organisation not to raise any demand pending disposal of the Company's petition and have ordered the PF Authorities for reassessment. Re-assessment hearings are under progress as at March 31, 2024. With respect to the demand order for the period from November 2013 to February 2015 amounting to ₹ 9.01 crore, the matter is pending with PF Appellate Tribunal and the Company has remitted a deposit of ₹ 3.60 crores during the year ended March 31, 2023. Based on the management's assessment supported by external legal advice, the Company is of the view that no provision is required for the aforesaid matters as at March 31, 2024 and March 31, 2023.

### 33 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

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 March 31, 2024 has been made in these standalone financial statements based on information received and available with the Company, to the extent identified by the management.

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

	March 31, 2024	March 31, 2023
The amounts remaining unpaid to micro and small suppliers as at end of the accounting year		
Principal	58.87	99.39
Interest due thereon	-	1.20
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006.	-	-
The amount of payments made to the micro and small suppliers beyond the appointed day during each accounting year	169.03	202.56
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 Related party disclosures

<b>A. Enterprise having significant influence</b>	TVS Mobility Private Limited
<b>B. Subsidiaries</b>	TVS SCS Global Freight Solutions Limited
	TVS SCS (Siam) Limited, Thailand
	TVS Logistics Investment UK Limited
	TVS Logistics Investments USA Inc., USA
	FLEXOL Packaging (India) Limited
	TVS Supply Chain Solutions Pte. Ltd, Singapore
	TVS Packaging Solutions Private Limited
	SPC International India Private Limited, India
	White Data Systems India Private Limited, India
	TVS Toyota Tsusho Supply Chain Solutions Limited
	Fit 3PL Warehousing Private Limited
<b>C. Step down subsidiaries</b>	TVS Supply Chain Solutions Limited, UK
	<b>Subsidiaries of TVS Supply Chain Solutions Limited, UK</b>
	MSys Software Solutions Limited, UK (till December 20, 2022)
	Multipart Limited, UK (till December 20, 2022)
	Peter Thomas & Co. (Refurbishing) Limited, UK
	TVS Logistics Iberia S.L., Spain
	TVS Autoserv GmbH, Germany
	TVS Supply Chain Solutions GmbH, Germany
	Rico Logistics Limited, UK
	<b>Subsidiaries of Rico Logistics Limited, UK</b>
	Ricochet Spain, Spain
	<b>Subsidiaries of Ricochet Spain S.L, Spain</b>
	Eltec IT Services S.L.U
	Rico Logistique, France
	Rico Logistics Limited, Australia
	Circle Express Limited, UK (disposed off on September 29, 2023)
	Tri - Tec Computer Support Limited, Northern Ireland

# Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

<b>Subsidiaries of Tri - Tec Computer Support Limited, Northern Ireland</b>
Tri - Tec Support Limited, Ireland
TVS SCS Rico Italia SRL
Triage Holdings Limited
<b>Subsidiaries of Triage Holdings Limited</b>
Triage Service Limited
OrderLogic Limited
SPC International Limited, UK
<b>Subsidiaries of SPC International Limited, UK</b>
SPCINT Limited, UK
SPC International (Engineering) Limited, UK
Pitcomp 171 Limited, UK
SPC EBT Trustees Limited, UK
SPC International Inc., USA
SPC International s.r.o., Slovakia
TVS America Inc., USA
TVS Supply Chain Solutions North America Inc., USA
<b>Subsidiaries of TVS Supply Chain Solutions North America Inc., USA</b>
TVS Transportation Solutions LLC, USA
TVS Supply Chain Solutions De Mexico S.A de C.V., Mexico
TVS Packaging Solutions Inc., USA
TVS SCS International Freight (Spain) SLU, Spain
TVS SCS International Pte. Ltd
TVS SCS Singapore Pte. Ltd
TVS Supply Chain Solutions (Thailand) Limited
<b>Subsidiaries of TVS Supply Chain Solutions (Thailand) Limited</b>
TVS SCS Philippines Corporation, Philippines
TVS SCS Logistics Management Co. Ltd
<b>Subsidiaries of TVS SCS Singapore Pte. Ltd</b>
TVS SCS Logistics Ltd
TVS SCS (Korea) Ltd
TVS SCS Logistics (Thailand) Limited
TVS SCS Hong Kong Limited
Pan Asia Container Line Pte Ltd, Hong Kong
TVS SCS Deustschland Gmbh
TVS SCS Malaysia Sdn Bhd
TVS SCS Vietnam Company Limited
PT Pan Asia Logistics Indonesia
TVS SCS Taiwan Limited
Pan Asia Freight-Forwarding & Logistics India Private Limited
TVS Supply Chain Solutions Australia Holdings Pty Ltd
<b>Subsidiaries of TVS Supply Chain Solutions Australia Holdings Pty Ltd</b>
T.I.F Holdings Pty. Ltd, Australia

# Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

<b>Subsidiaries of T.I.F Holdings Pty. Ltd, Australia</b>
TVS SCS (Aust) Pty. Ltd
TVS SCS New Zealand Limited
Kahn Nominees Pty Ltd, Australia
<b>Subsidiaries of Kahn Nominees Pty Ltd, Australia</b>
TVS SCS International Freight (Singapore) Pte. Ltd (struck off on January 08, 2024)
TVS SCS International Freight Limited, Hong Kong
<b>Subsidiaries of TVS SCS International Freight Limited, Hong Kong</b>
Transtar International Freight (Shanghai) Limited (de-registered on March 13, 2024)
Transtar International Freight (Malaysia) Sdn Bhd
TVS SCS International Freight (Thailand) Limited
TVS Supply Chain Solutions Holdings Limited (Thailand)
<b>D. Subsidiaries of TVS Mobility Private Limited</b>
Sundaram Industries Private Limited
TVS Sirius Controls Private Limited
<b>E. Joint Ventures</b>
TVS Industrial & Logistics Parks Private Limited
Linfox TVS Solutions Pty Limited, Australia (till February 02, 2023)
<b>F. Key management personnel (KMP)</b>
Mr. R. Dinesh, Executive Chairman
Mr. Ravi Viswanathan, Managing Director
Ms. Shobhana Ramachandhran, Non-Executive director
Mr. Ashish Kaushik, Nominee director
Mr. Anand Kumar, Nominee director
Ms. Gauri Kumar, Independent Director
Mr. B. Sriram, Independent Director
Mr. Tarun Khanna, Independent director (w.e.f May 16, 2022)
Mr. Narayan K. Seshadri, Independent director (w.e.f. August 29, 2023)
Mr. K. Ananth Krishnan, Independent director (w.e.f. August 29, 2023)
Mr. Ravi Prakash Baghavathula, Chief Financial Officer
Mr. P D Krishna Prasad, Company Secretary
Mr. S. Ravichandran, Non-Executive Director (till August 29, 2023)
Mr. Bobby Pauly, Nominee director (till January 13, 2023)
Mr. S Mahalingam, Independent director (till August 29, 2023)
<b>G. Private Companies under common directorship/ Entities controlled by KMP or relatives of KMP of the Company</b>
TVS Automobile Solutions Private Limited
TVS Srichakra Limited
T V Sundram Iyengar & Sons Private Limited
Ki Mobility Solutions Private Limited
Sundharams Private Limited



## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### Transactions during the year

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Income from Supply chain management services</b>		
Sundaram Industries Private Limited	1.22	1.14
TVS Toyota Tsusho Supply Chain Solutions Limited	0.03	-
TVS SCS Global Freight Solutions Limited	0.19	0.02
TVS Srichakra Limited	73.01	68.44
TVS Automobile Solutions Private Limited	0.52	-
Ki Mobility Solutions Private Limited	40.27	44.36
Fit 3PL Warehousing Private Limited	3.44	1.98
SPC International (India) Private Limited	0.04	0.03
<b>Sale of Goods</b>		
TVS Toyota Tsusho Supply Chain Solutions Limited	1.96	2.43
<b>Other income</b>		
TVS SCS Global Freight Solutions Limited	4.44	8.04
TVS Toyota Tsusho Supply Chain Solutions Limited	1.81	1.97
TVS Supply Chain Solutions North America Inc.,USA	6.16	4.50
TVS Logistics Investment UK Limited	11.09	9.92
Rico Logistics Limited, UK	29.07	23.54
TVS Supply Chain Solutions Limited, UK	20.94	14.99
TVS Logistics Iberia S.L., Spain	0.19	0.15
FLEXOL Packaging (India) Limited	0.31	-
TVS Supply Chain Solutions Pte. Ltd	22.97	29.29
White Data Systems India Private Limited	0.41	0.90
Fit 3PL Warehousing Private Limited	6.00	4.83
<b>Share Based Payments</b>		
Rico Logistics Limited, UK	0.64	4.25
TVS Supply Chain Solutions Limited, UK	0.68	4.72
TVS Supply Chain Solutions North America Inc.,USA	-	1.92
TVS Supply Chain Solutions Pte. Ltd	(0.31)	4.71
FLEXOL Packaging (India) Limited	-	0.02
TVS Toyota Tsusho Supply Chain Solutions Limited	-	0.02
TVS SCS Global Freight Solutions Limited	0.47	-
<b>Dividend income</b>		
TVS SCS Global Freight Solutions Limited	2.40	2.40
<b>Interest income</b>		
TVS Logistics Investments USA Inc., USA	8.64	0.84
TVS SCS (Siam) Limited	0.35	0.34
TVS Logistics Investment UK Limited	34.31	21.96
<b>Expenses incurred on behalf of</b>		
TVS Supply Chain Solutions Limited, UK	5.25	3.09
TVS Supply Chain Solutions Pte. Ltd	4.63	2.41
TVS Supply Chain Solutions North America Inc.,USA	2.04	1.98
Rico Logistics Limited, UK	4.55	4.54

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

	Year ended March 31, 2024	Year ended March 31, 2023
White Data Systems India Private Limited	0.60	-
TVS SCS Global Freight Solutions Limited	-	0.33
TVS Industrial & Logistics Park Limited	0.10	-
TVS Mobility Private Limited	1.99	-
<b>Interest expense</b>		
TVS SCS Global Freight Solutions Limited	5.47	2.15
White Data Systems India Private Limited	0.05	0.55
<b>Purchase of spares &amp; others</b>		
Sundaram Industries Private Limited	0.85	0.72
TVS SCS Global Freight Solutions Limited	-	0.04
TVS Mobility Private Limited	-	0.48
TVS Sirius Controls Private Limited	0.02	0.03
TVS Industrial & Logistics Park Limited	2.34	-
<b>Freight, packing and forwarding expenses</b>		
FLEXOL Packaging (India) Limited	0.81	0.50
T V Sundram Iyengar & Sons Private Limited	-	1.75
TVS SCS Global Freight Solutions Limited	-	3.32
Fit 3PL Warehousing Private Limited	1.16	0.09
TVS Sirius Controls Private Limited	-	0.01
TVS Srichakra Limited	-	0.45
<b>Rent Expenses</b>		
TVS Industrial & Logistics Park Limited	25.07	18.62
TVS Mobility Private Limited	2.88	2.72
Fit 3PL Warehousing Private Limited	1.96	1.88
TVS Automobile Solutions Private Limited	-	2.16
<b>Repairs and maintenance</b>		
TVS Industrial & Logistics Park Limited	0.60	0.07
TVS Automobile Solutions Private Limited	-	0.42
<b>IT Support Costs</b>		
FLEXOL Packaging (India) Limited	0.37	0.30
White Data Systems India Private Limited	2.45	1.72
<b>Expenses incurred by and reimbursed to</b>		
TVS Supply Chain Solutions Pte. Ltd	2.12	15.88
TVS Mobility Private Limited	-	0.09
TVS Logistics Investment UK Limited	0.60	0.30
White Data Systems India Private Limited	0.02	-
TVS Supply Chain Solutions North America Inc.,USA	1.39	0.80
TVS SCS (Siam) Limited	0.04	-
RICO Logistics Limited	2.34	-
<b>Other expenses</b>		
FLEXOL Packaging (India) Limited	-	0.29
TVS SCS Global Freight Solutions Limited	0.06	-
TVS Automobile Solutions Private Limited	0.28	-
TVS Sirius Controls Private Limited	-	0.01

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

	Year ended March 31, 2024	Year ended March 31, 2023
TVS Industrial & Logistics Park Limited	-	17.13
Fit 3PL Warehousing Private Limited	0.07	-
White Data Systems India Private Limited	-	0.97
Sundharams Private Limited	0.06	0.05
TVS Mobility Private Limited	1.83	0.05
<b>Sale of Property, Plant &amp; Equipment</b>		
TVS Mobility Private Limited	8.64	-
<b>Purchase of Property, Plant &amp; Equipment</b>		
FLEXOL Packaging (India) Limited	0.27	-
TVS Sirius Controls Private Limited	0.04	-
T V Sundram Iyengar & Sons Private Limited	-	0.99
TVS Industrial & Logistics Park Limited	2.40	0.67
TVS Mobility Private Limited	-	0.83
<b>Investment in equity shares</b>		
TVS SCS Global Freight Solutions Limited	-	7.19
TVS Logistics Investment UK Limited	262.88	-
TVS Supply Chain Solutions Pte. Ltd	186.62	-
White Data Systems India Private Limited	63.86	-
TVS Logistics Investments USA Inc., USA	275.33	-
<b>Conversion of Loans to Equity</b>		
TVS Logistics Investment UK Limited	475.94	-
<b>Loans and advances</b>		
<b>Given during the year</b>		
TVS Logistics Investments USA Inc., USA	-	117.48
TVS Logistics Investment UK Limited	-	198.78
<b>Repayments made during the year</b>		
White Data Systems India Private Limited	1.90	9.90
TVS SCS Global Freight Solutions Limited	10.00	57.00
<b>Taken during the year</b>		
TVS SCS Global Freight Solutions Limited	116.00	47.00
<b>Guarantees</b>		
TVS Logistics Investment UK Limited	783.29	-
TVS Supply Chain Solutions Pte. Ltd.	97.23	-
<b>Remuneration to Key Managerial Personnel</b>		
Mr. Ravi Viswanathan	3.01	5.59
Mr. R. Dinesh	3.38	7.35
Mr. Ravi Prakash Baghavathula	1.70	2.70
Mr. P D Krishna Prasad	0.57	0.56
<b>Sitting fees to Independent &amp; Non-Executive Directors</b>		
Mr. C. K.Ranganathan	-	0.02
Mr. S. Ravichandran	0.06	0.09
Mr. S Mahalingam	0.06	0.12
Ms. Shobhana Ramachandhran	0.09	0.08
Ms. Gauri Kumar	0.14	0.09

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

	Year ended March 31, 2024	Year ended March 31, 2023
Mr. B. Sriram	0.16	0.10
Mr. Tarun Khanna	0.07	0.05
Mr. Narayan K Seshadri	0.10	-
Mr. K Ananth Krishnan	0.07	-
<b>Commission to Independent &amp; Non-Executive Directors</b>		
Mr. Narayan K Seshadri	0.12	-
Mr. K Ananth Krishnan	0.10	-
Mr. S. Ravichandran	-	0.10
Mr. S Mahalingam	-	0.12
Ms. Shobhana Ramachandhran	0.10	0.10
Ms. Gauri Kumar	0.10	0.10
Mr. B. Sriram	0.12	0.12
Mr. Tarun Khanna	0.10	0.10

- As the future liabilities of gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the KMP is not ascertainable separately and therefore not included above.
- The company has not incurred any employee stock compensation expense towards KMP for the years ended March 31, 2024 and March 31, 2023.

### Year end balances:

	March 31, 2024	March 31, 2023
<b>Loans to related parties</b>		
TVS Logistics Investment UK Limited, UK	-	401.38
TVS Logistics Investments USA Inc., USA	119.40	117.74
TVS SCS (Siam) Limited, Thailand (refer note 14)	4.96	4.89
<b>Receivables (including other receivables, unbilled revenue and other current assets)</b>		
Sundaram Industries Private Limited	0.26	0.26
TVS SCS Global Freight Solutions Limited	-	2.42
TVS Logistics Investment UK Limited	88.10	99.88
TVS Logistics Investments USA Inc., USA	10.26	1.49
TVS Logistics Iberia S.L., Spain	0.33	-
TVS Supply Chain Solutions North America, Inc., USA	22.59	22.31
FLEXOL Packaging (India) Limited	0.07	0.07
TVS Industrial & Logistics Park Limited	0.12	-
TVS Supply Chain Solutions Pte. Ltd.	52.28	35.64
TVS SCS (Siam) Limited	2.57	2.35
TVS Toyota Tsusho Supply Chain Solutions Limited	0.19	0.22
TVS Supply Chain Solutions Limited, UK	2.43	(0.58)
Rico Logistics Limited, UK	39.24	57.07
TVS Logistics Iberia S.L., Spain	-	0.14
TVS Srichakra Limited	22.43	16.49
TVS Mobility Private Limited	12.54	-
White Data Systems India Private Limited	1.85	0.60
TVS Packaging Solutions Private Limited	0.03	0.04



## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

	March 31, 2024	March 31, 2023
TVS Automobile Solutions Private Limited	0.15	-
Ki Mobility Solutions Private Limited	11.28	11.27
Fit 3PL Warehousing Private Limited	2.21	1.38
<b>Security deposits</b>		
TVS Industrial & Logistics Park Limited	9.31	9.31
<b>Other receivables - Advance for Supply of Goods &amp; Services</b>		
TVS Industrial & Logistics Park Limited	-	4.42
T V Sundaram Iyengar & Sons Private Limited	-	0.16
<b>Unsecured borrowing repayment on demand from related party</b>		
White Data Systems India Private Limited	-	1.90
TVS SCS Global Freight Solutions Limited	106.00	-
<b>Payables (including other financial liabilities)</b>		
T V Sundram Iyengar & Sons Private Limited	-	0.15
Sundaram Industries Private Limited	0.16	0.22
FLEXOL Packaging (India) Limited	1.33	1.02
TVS SCS Global Freight Solutions Limited	2.71	0.30
TVS Supply Chain Solutions North America, Inc., USA	2.20	0.80
TVS Supply Chain Solutions Pte. Ltd.	30.09	27.96
TVS Automobile Solutions Private Limited	0.03	1.02
TVS Toyota Tsusho Supply Chain Solutions Limited	-	0.03
TVS Packaging Solutions Private Limited	0.01	0.01
White Data Systems India Private Limited	0.19	0.68
TVS Supply Chain Solutions Limited, UK	0.01	0.01
TVS Logistics Investment UK Limited	1.89	1.25
TVS Mobility Private Limited	1.12	0.60
Fit 3PL Warehousing Private Limited	0.59	1.55
TVS SCS (Siam) Limited	0.04	-
TVS Sirius Controls Private Limited	0.01	-
<b>Guarantees</b>		
TVS Logistics Investment UK Limited	783.29	1,160.32
TVS Supply Chain Solutions Pte. Ltd.	97.23	468.93
<b>Payable to Key Managerial Personnel</b>		
Remuneration to Mr. Ravi Viswanathan	-	2.50
Remuneration to Mr. R. Dinesh	-	4.00
Remuneration to Mr. Ravi Prakash Baghavathula	-	1.23
Remuneration to Mr. P D Krishna Prasad	-	0.02
Commission to Mr. Narayan K Seshadri	0.12	-
Commission to Mr. K Ananth Krishnan	0.10	-
Commission to Mr. S. Ravichandran	-	0.10
Commission to Mr. S Mahalingam	-	0.12
Commission to Ms. Shobhana Ramachandhran	0.10	0.10
Commission to Ms. Gauri Kumar	0.10	0.10
Commission to Mr. B. Sriram	0.12	0.12
Commission to Mr. Tarun Khanna	0.10	0.10

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 35 Transfer pricing

The Company has international transactions with related parties. The management confirms that all such transactions are in compliance with the provisions of Income-tax Act, 1961. The management also confirms that it maintains documents as prescribed by the Income Tax Act to prove that the international and domestic transactions are at arm's length and the aforesaid legislation will not have any impact on the standalone financial statements, particularly on the amount of tax expense and that of provision for taxation.

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

#### A. Disaggregated revenue information

Segment	March 31, 2024			March 31, 2023		
	India	Outside India	Total	India	Outside India	Total
<b>Type of goods or service</b>						
Revenue from operations	1,938.27	-	1,938.27	1,818.56	-	1,818.56
<b>Total revenue from contracts with customers</b>	<b>1,938.27</b>	<b>-</b>	<b>1,938.27</b>	<b>1,818.56</b>	<b>-</b>	<b>1,818.56</b>

#### B. Timing of revenue recognition

Particulars	March 31, 2024	March 31, 2023
Goods transferred at a point in time	2.85	5.73
Services transferred over time	1,935.42	1,812.83
<b>Total revenue from contracts with customers</b>	<b>1,938.27</b>	<b>1,818.56</b>

#### C. Summary of contract balances

Particulars	March 31, 2024	March 31, 2023
Trade Receivables (Gross)	442.97	360.01
Contract assets (Unbilled revenue) (Refer note below)	164.60	134.61
Contract liability (Advance from Customers)	13.17	13.77

Note:

Contract assets are initially recognised for revenue earned from supply chain management services as receipt of consideration is conditional on successful completion. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

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

Particulars	March 31, 2024	March 31, 2023
Revenue as per contracted price	1,938.70	1,824.40
Less: Trade discounts, volume rebates etc.	(0.43)	(5.84)
Revenue as per statement of profit and loss	1,938.27	1,818.56

### 37 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.

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

	Note	Carrying amount						Fair value			
		March 31, 2024			March 31, 2023			Level 1	Level 2	Level 3	Total
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost				
<b>Financial assets measured at fair value</b>											
Investments	14	0.20	-	-	0.20	-	-	-	-	0.20	0.20
<b>Financial assets not measured at fair value</b>											
Investments	14	-	-	-	-	-	-	-	-	-	-
Loans	15	-	-	119.40	-	-	524.01	-	-	-	-
Deposits and other receivables	16	-	-	315.68	-	-	357.12	-	-	-	-
Trade receivables	20	-	-	351.17	-	-	266.81	-	-	-	-
Cash and cash equivalents	21	-	-	75.60	-	-	288.04	-	-	-	-
Other bank balances	22	-	-	60.31	-	-	35.25	-	-	-	-
Other financial assets	17	-	-	1.28	-	-	1.32	-	-	-	-
<b>Total</b>		<b>0.20</b>	<b>-</b>	<b>923.44</b>	<b>0.20</b>	<b>-</b>	<b>1,472.55</b>	<b>-</b>	<b>-</b>	<b>0.20</b>	<b>0.20</b>
<b>Financial liabilities not measured at fair value</b>											
Borrowings	25	-	-	247.62	-	-	770.96	-	-	-	-
Lease liability	13C	-	-	284.51	-	-	398.29	-	-	-	-
Trade payables	26	-	-	357.61	-	-	423.05	-	-	-	-
Other financial liabilities	27	-	-	91.00	-	-	246.59	-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>980.74</b>	<b>-</b>	<b>-</b>	<b>1,838.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note: The Company has not disclosed fair values of financial instruments such as loans, deposits and other receivables, trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, lease liability, 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.

### B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 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	
	March 31, 2024	March 31, 2023
Trade receivables	351.17	266.81
Investments	0.20	0.20
Cash and cash equivalents	75.60	288.04
Other bank balances	60.31	35.25
Loans	119.40	524.01
Deposits and other receivables	315.68	357.12
Other financial assets	1.28	1.32
<b>Total</b>	<b>923.64</b>	<b>1,472.75</b>

### 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.



## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

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

### As at March 31, 2024

	Gross carrying amount	Weighted-average loss rate	Loss allowance
Not due & Past due 1-90 days	290.56	5.1%	(14.91)
Past due 91-180 days	29.01	17.6%	(5.11)
Past due 181-365 days	32.98	7.3%	(2.42)
Past due for more than 365 days	90.42	76.7%	(69.36)
<b>Total</b>	<b>442.97</b>		<b>(91.80)</b>

### As at March 31, 2023

	Gross carrying amount	Weighted-average loss rate	Loss allowance
Not due & Past due 1-90 days	249.16	1.6%	(3.91)
Past due 91-180 days	14.42	33.5%	(4.83)
Past due 181-365 days	5.73	34.4%	(1.97)
Past due for more than 365 days	90.70	90.9%	(82.49)
<b>Total</b>	<b>360.01</b>		<b>(93.20)</b>

### 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:

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	93.20	78.94
Add: Provision for the year	22.43	29.06
Less: Provision withdrawn against bad debts written off	(23.83)	(14.80)
<b>Balance at end of the year</b>	<b>91.80</b>	<b>93.20</b>

### Cash and cash equivalents and other bank balances

The Company holds cash and bank balances of ₹135.91 crores as at March 31, 2024 (March 31, 2023: ₹323.29 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

The Company has Deposits and other receivables of ₹315.68 crores as at March 31, 2024 (March 31, 2023: ₹357.12 crores). It consists of deposit given in relation to leasehold premises occupied by the Company for carrying out its operations and receivable from subsidiaries. The Company does not expect any losses from non-performance by these counter-parties.

### Loans, Investments and Other financial assets

The Company has loans, investments and other financial assets of ₹120.88 crores as at March 31, 2024 (March 31, 2023: ₹525.53 crores). The credit worthiness of such parties are evaluated by the management on an ongoing basis and are provided wherever necessary and the remaining balances are considered to be good.

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 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
<b>March 31, 2024</b>					
<b>Non derivative financial liabilities</b>					
<b>Current and non-current borrowings</b>					
Secured term loan from banks	5.01	5.01	2.26	2.75	-
Unsecured loans repayable on demand	173.69	173.69	173.69	-	-
Secured loans repayable on demand	60.00	60.00	60.00	-	-
Redeemable preference shares	8.92	8.92	8.92	-	-
<b>Others</b>					
Trade payables	357.61	357.61	357.61	-	-
Lease liability	284.51	317.87	137.43	156.99	23.45
Other financial liabilities	91.00	91.00	86.36	4.64	-
	<b>980.74</b>	<b>1,014.10</b>	<b>826.27</b>	<b>164.38</b>	<b>23.45</b>

	Contractual cash flows				
	Carrying amount	Total	1 year or less	1-5 years	More than 5 years
<b>March 31, 2023</b>					
<b>Non derivative financial liabilities</b>					
<b>Current and non-current borrowings</b>					
Secured term loan from banks	63.26	63.26	26.57	36.69	-
Unsecured term loans from banks	331.48	331.48	331.48	-	-
Secured term loans from financial institutions	75.00	75.00	75.00	-	-
Redeemable preference shares	8.92	8.92	8.92	-	-
Compulsorily convertible preference shares	292.30	292.30	292.30	-	-
<b>Others</b>					
Trade payables	423.05	423.05	423.05	-	-
Lease liability	398.29	450.49	167.81	244.84	37.84
Other financial liabilities	246.59	246.59	224.14	22.45	-
	<b>1,838.89</b>	<b>1,891.09</b>	<b>1,549.26</b>	<b>303.99</b>	<b>37.84</b>

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 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 its 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 exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues, loans given to related parties and other payables and receivables are denominated in a currency other than the INR. The company does not hedge its foreign currency risk in general except in case of certain payables and receivables denominated in foreign currency which are hedged through the use of forward exchange contracts. The Company does not apply hedge accounting in respect of such forward exchange contracts.

The following table analyses foreign currency risk from financial instruments. The amounts disclosed in the table below are in equivalent ₹ for the various currencies to which the Company is exposed to currency risk.

	As at March 31, 2024						As at March 31, 2023					
	USD	Euro	GBP	SGD	AED	THB	USD	Euro	GBP	SGD	AED	THB
<b>Financial assets:</b>												
Loans	119.40	-	-	-	-	-	122.63	-	401.38	-	-	-
Deposits and other receivables	32.84	0.35	142.72	53.65	-	-	30.28	0.16	191.75	35.05	-	2.35
Trade receivables	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	-	-	-	0.14	-	-	-
	<b>152.24</b>	<b>0.35</b>	<b>142.72</b>	<b>53.65</b>	<b>-</b>	<b>-</b>	<b>152.91</b>	<b>0.16</b>	<b>593.27</b>	<b>35.05</b>	<b>-</b>	<b>2.35</b>
<b>Financial liabilities:</b>												
Borrowings	-	-	-	-	-	-	-	-	8.45	-	-	-
Trade payables	0.04	-	-	-	-	-	0.01	-	-	-	-	-
Other financial liabilities	2.16	-	17.21	31.46	-	0.04	7.28	-	36.66	27.97	-	-
	<b>2.16</b>	<b>-</b>	<b>14.87</b>	<b>31.46</b>	<b>-</b>	<b>0.04</b>	<b>7.29</b>	<b>-</b>	<b>45.11</b>	<b>27.97</b>	<b>-</b>	<b>-</b>
<b>Net assets / (liabilities)</b>	<b>150.04</b>	<b>0.35</b>	<b>125.51</b>	<b>22.19</b>	<b>-</b>	<b>(0.04)</b>	<b>145.62</b>	<b>0.16</b>	<b>548.15</b>	<b>7.08</b>	<b>-</b>	<b>2.35</b>

### Sensitivity analysis

A reasonably possible strengthening (weakening) of the ₹ against the respective currencies noted below at March 31, 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
<b>March 31, 2024</b>				
United States Dollar (1% movement)	1.50	(1.50)	-	-
Euro (1% movement)	0.00	(0.00)	-	-
Great Britain Pound (1% movement)	1.26	(1.26)	-	-
Singapore Dollar (1% movement)	0.22	(0.22)	-	-
Thailand Bhat (1% movement)	(0.00)	0.00	-	-

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

	Profit or (loss)		Equity, net of tax	
	Weakening	Strengthening	Weakening	Strengthening
<b>March 31, 2023</b>				
United States Dollar (1% movement)	1.46	(1.46)	-	-
Great Britain Pound (1% movement)	5.48	(5.48)	-	-
Singapore Dollar (1% movement)	0.07	(0.07)	-	-
Thailand Bhat (1% movement)	0.02	(0.02)	-	-

### Interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	<b>March 31, 2024</b>	March 31, 2023
<b>Variable instruments</b>		
Financial Liabilities		
- Term loans from banks	-	50.00
- Loans repayable on demand	67.69	329.58
<b>Fixed rate instruments</b>		
<b>Financial assets</b>		
- Loans	119.40	524.01
- Deposits with banks	61.82	40.32
<b>Financial Liabilities</b>		
- Term loans from banks	5.01	13.26
- Loans repayable on demand	166.00	76.90
- Vendor bill discounting	-	-
- Redeemable preference shares	8.92	8.92
- Compulsorily convertible preference shares	-	292.30

### Fair value sensitivity analysis for fixed-rate instruments

A reasonably possible change of 100 bps 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 bps 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.

## 38 Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.



## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 39 Corporate social responsibility (applicable for Companies registered in India)

	March 31, 2024	March 31, 2023
a. Amount required to be spent during the year	-	-
b. Amount approved by the board to be spent during the year	-	-
c. Amount spent during the year on:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than i) above	-	-
d. Amount of expenditure incurred	-	-
e. Shortfall at the end of the year	-	-
f. Total of previous years shortfall	-	-
g. Nature of CSR activities	-	-

### 40 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)

### 41 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.

### 42 Crypto currency

The Company has not traded or invested Crypto currency during the current year or the preceding year.

### 43 Exceptional Items - (gain)/loss

		March 31, 2024	March 31, 2023
Gain on TVS ILP stake dilution	refer note (i) below	(49.21)	-
Loss on change in fair value of CCPS	refer note 25 A & (ii) below	23.17	-
IPO Costs charged off	refer note (iii) below	-	10.00
		<b>(26.04)</b>	<b>10.00</b>

Note -

- On September 30, 2023, the Company disposed off 832,933 shares in its equity accounted investee, "TVS Industrial & Logistics Park Private Limited (TVSILP)" for a consideration of ₹51.3 Crores. Gain from the disposal amounting to ₹49.21 Crores has been disclosed as an exceptional item in these financial statements.
- Compulsorily Convertible Preference Shares (CCPS) aggregating ₹556.16 Crores were converted into equity shares on July 27, 2023 at a price of ₹167.55 per Equity Share. During the year ended March 31, 2024, fair value changes on conversion of these instruments aggregating ₹23.17 Crores has been expensed off and disclosed as an exceptional item in these financial statements. The fair value changes are non-cash and does not entail any cash outflow.
- During the year ended March 31, 2023, the Company charged off certain expenses incurred in connection with the initial public offering amounting to ₹ 10.00 crores which are not in the nature of share issue expenses and accordingly disclosed these as exceptional items.

## Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

### 44 Disclosure on funding transactions

During the year, the Company infused equity amounting to ₹ 262.89 crores, ₹ 275.33 crores and ₹ 186.62 crores into its wholly owned subsidiaries, TVS Logistics Investments UK Limited and TVS Logistics Investments USA Inc., and TVS Supply Chain Solutions Pte. Ltd respectively in its ordinary course of business, which are in compliance with the provisions of Companies Act, 2013 and Foreign Exchange Management Act 1999 and Prevention of Money-Laundering Act, 2002. Of the investments made in TVS Logistics Investments USA, ₹ 220.29 crores were used to settle loans taken from TVS Supply Chain Solutions North America Inc. USA, ₹ 37.02 crores were infused as equity into TVS Supply Chain Solutions North America Inc., USA and ₹18.02 crores were lent to TVS Logistics Investments UK Limited. Regarding the investments made in TVS Supply Chain Solutions Pte. Ltd, ₹ 10.03 crores were further infused in to step subsidiaries to meet funding requirements.

Other than the above, 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 Group 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

### 45 Ratios Analysis

Ratios	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for change more than 25%
Current ratio	Current Assets	Current Liabilities	118.62%	102.48%	15.75%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	9.67%	32.07%	-69.85%	The ratio has decreased in current year on account of increase in net worth and repayment of borrowing
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Interest	Debt service = Interest & Lease Payments + Principal Repayments	125.63%	109.12%	15.13%	
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	5.20%	-2.17%	339.63%	The ratio has improved in the current year on account of higher earnings.
Inventory Turnover ratio	Sale of Products	Average Inventory	0.00%	0.00%	0.00%	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	627.29%	702.15%	-10.66%	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	0.01%	0.05%	-80.00%	The ratio has improved in the current year on account of reduction in purchases

# Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

Ratios	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for change more than 25%
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	1200.17%	4571.54%	-73.75%	Reduction in ratio on account of repayment of current borrowings and collections of loans from subsidiaries in the current year.
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	5.44%	-1.61%	437.89%	The ratio has improved in the current year on account of higher earnings and exceptional items.
Return on Capital Employed	Earnings before interest and taxes (excluding Interest on lease liabilities)	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	4.89%	1.80%	171.67%	The ratio has improved in the current year on account of higher earnings.

## 46 List of subsidiaries & Joint Venture

Name of direct subsidiaries of the Company	Country of incorporation	Ownership interest	
		March 31, 2024	March 31, 2023
TVS SCS Global Freight Solutions Ltd.	India	100.00%	100.00%
FLEXOL Packaging (India) Limited	India	100.00%	100.00%
TVS Packaging Solutions Private Limited	India	100.00%	100.00%
SPC International India Private Limited	India	100.00%	100.00%
TVS SCS (Siam) Limited	Thailand	100.00%	100.00%
TVS Logistics Investment UK Limited	United Kingdom	100.00%	100.00%
TVS Logistics Investments USA Inc.	USA	100.00%	100.00%
TVS Supply Chain Solutions Pte. Ltd., Singapore	Singapore	100.00%	100.00%
TVS Toyota Tsusho Supply Chain Solutions Limited	India	60.00%	60.00%
White Data Systems India Private Limited	India	100.00%	51.00%
Fit 3PL Warehousing Private Limited	India	100.00%	100.00%
<b>Name of step-down subsidiaries</b>			
<b>Subsidiaries of TVS Logistics Investment UK Limited</b>			
TVS Supply Chain Solutions Limited, UK	United Kingdom	100.00%	100.00%
<b>Subsidiaries of TVS Supply Chain Solutions Limited, UK</b>			
Peter Thomas & Co. (Refurbishing) Limited, UK	United Kingdom	100.00%	100.00%
TVS Logistics Iberia S.L., Spain	Spain	100.00%	100.00%
TVS Autoserv GmbH, Germany	Germany	51.00%	51.00%
TVS Supply Chain Solutions GmbH, Germany	Germany	100.00%	100.00%
Rico Logistics Limited, UK	United Kingdom	100.00%	100.00%
<b>Subsidiaries of Rico Logistics Limited, UK</b>			
Ricochet Spain S.L, Spain	Spain	100.00%	100.00%
<b>Subsidiaries of Ricochet Spain S.L, Spain</b>			

# Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

	Country of incorporation	Ownership interest	
		March 31, 2024	March 31, 2023
Eltec IT Services S.L.U	Spain	100.00%	100.00%
Rico Logistique, France	France	100.00%	100.00%
Rico Logistics Pty Ltd, Australia	Australia	100.00%	100.00%
Circle Express Limited, UK	United Kingdom	0.00%	95.00%
Tri - Tec Computer Support Limited, Northern Ireland	Northern Ireland	100.00%	100.00%
<b>Subsidiaries of Tri - Tec Computer Support Limited, Northern Ireland</b>			
Tri - Tec Support Limited, Ireland	Ireland	100.00%	100.00%
TVS SCS Rico Italia SRL	Italy	100.00%	100.00%
Triage Holdings Limited	United Kingdom	100.00%	100.00%
<b>Subsidiaries of Triage Holdings Limited</b>			
Triage Service Limited	United Kingdom	100.00%	100.00%
OrderLogic Limited	United Kingdom	100.00%	100.00%
SPC International Limited, UK	United Kingdom	100.00%	100.00%
<b>Subsidiaries of SPC International Limited, UK</b>			
SPCINT Limited, UK	United Kingdom	100.00%	100.00%
SPC International (Engineering) Limited, UK	United Kingdom	100.00%	100.00%
Pitcomp 171 Limited, UK	United Kingdom	100.00%	100.00%
SPC EBT Trustees Limited, UK	United Kingdom	100.00%	100.00%
SPC International Inc., USA	USA	100.00%	100.00%
SPC International s.r.o., Slovakia	Slovakia	100.00%	100.00%
<b>Subsidiaries of TVS Logistics Investments USA Inc.</b>			
TVS America Inc., USA	USA	100.00%	100.00%
TVS Supply Chain Solutions North America Inc., USA	USA	100.00%	100.00%
<b>Subsidiaries of TVS Supply Chain Solutions North America Inc., USA</b>			
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. USA	USA	100.00%	100.00%
<b>Subsidiaries of TVS Supply Chain Solutions Pte. Ltd.</b>			
TVS SCS International Freight (Spain) SLU, Spain	Spain	100.00%	100.00%
TVS SCS International Pte. Ltd	Singapore	100.00%	100.00%
TVS SCS Singapore Pte. Ltd	Singapore	100.00%	100.00%
<b>Subsidiaries of TVS SCS Singapore Pte. Ltd</b>			
TVS SCS Logistics Ltd	China	100.00%	100.00%
TVS SCS (Korea) Ltd	Korea	100.00%	100.00%
TVS SCS Logistics (Thailand) Limited	Thailand	100.00%	100.00%
TVS SCS Hong Kong Limited	Hong Kong	100.00%	100.00%
Pan Asia Container Line Pte Ltd, Hong Kong	Hong Kong	100.00%	100.00%
TVS SCS Deustschland Gmbh	Germany	100.00%	100.00%
TVS SCS Malaysia Sdn Bhd	Malaysia	100.00%	100.00%
TVS SCS Vietnam Company Limited	Vietnam	95.00%	95.00%
PT Pan Asia Logistics Indonesia	Indonesia	90.00%	90.00%
TVS SCS Taiwan Limited	Taiwan	100.00%	100.00%



# Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

	Country of incorporation	Ownership interest	
		March 31, 2024	March 31, 2023
Pan Asia Freight-Forwarding & Logistics India Private Limited	India	99.99%	99.99%
TVS Supply Chain Solutions (Thailand) Limited, Thailand	Thailand	100.00%	100.00%
<b>Subsidiaries of TVS Supply Chain Solutions (Thailand) Limited</b>			
TVS SCS Logistics Management Co. Ltd	Thailand	100.00%	100.00%
TVS SCS Philippines Corporation	Philippines	100.00%	0.00%
TVS Supply Chain Solutions Australia Holdings Pty Ltd	Australia	100.00%	100.00%
<b>Subsidiaries of TVS Supply Chain Solutions Australia Holdings Pty Ltd</b>			
T.I.F. Holdings Pty Ltd, Australia	Australia	100.00%	100.00%
<b>Subsidiaries of T.I.F. Holdings Pty Ltd, Australia</b>			
TVS SCS (Aust) Pty. Ltd., Australia	Australia	100.00%	100.00%
TVS SCS New Zealand Limited, New Zealand	New Zealand	100.00%	100.00%
KAHN Nominees Pty Ltd, Australia	Australia	100.00%	100.00%
TVS SCS International Freight Hong Kong Limited	Hong Kong	100.00%	100.00%
TVS SCS International Freight (Singapore) Pte. Ltd, Singapore (struck off on January 08, 2024)	Singapore	0.00%	100.00%
Transtar International Freight (Shanghai) Limited, China (de-registered on March 13, 2024)	China	0.00%	100.00%
TVS Supply Chain Solutions Holdings Limited (Thailand)	Thailand	100.00%	100.00%
TVS SCS International Freight (Thailand) Limited, Thailand	Thailand	100.00%	100.00%
Transtar International Freight (Malaysia) SD Bhd, Malaysia	Malaysia	100.00%	100.00%
<b>Name of Joint Venture</b>			
TVS Industrial & Logistics Park Private Limited	India	25.20%	29.70%

## 47 Subsequent events

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

## 48 Utilisation of IPO Funds

The Company has completed an Initial Public Offer (“IPO”) of 4,46,70,050 Equity Shares at the face value of ₹1/- each at an issue price of ₹197/- per Equity Share, comprising of offer for sale of 1,42,13,198 shares by Selling Shareholders and fresh issue of 3,04,56,852 shares. The Equity Shares of the Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India limited (“NSE”) on August 23, 2023.

The total offer expenses are estimated to be ₹102.97 Crores (inclusive of taxes wherever applicable) which are proportionately allocated between the selling shareholders and the Company as per respective offer size. The utilisation of IPO proceeds of ₹525 Crores (net of provisional IPO expenses of ₹75 Crores which is charged off to securities premium) is summarised below:

Objects of the issue	IPO Proceeds	(₹ in Crores)	
		Utilisation upto March 31, 2024	Unutilised as on March 31, 2024
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company and its Subsidiary, TVS Logistics Investment UK Limited	525.00	524.01	-
General corporate purposes	-	0.99	-
<b>Total</b>	<b>525.00</b>	<b>525.00</b>	<b>-</b>

# Notes to Standalone Financial Statements

For the year ended March 31, 2024

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

## 49 Struck off companies

The Company has balance with the below-mentioned company struck off under section 248 of Companies Act, 2013:

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at current period	Relationship with the struck off company, if any, to be disclosed
G N Logistics Private Limited	Trade Payables	-	None
Goal Tech Engineering Private Limited	Trade Payables	0.05	None

## 50 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**  
Firm Registration Number: 101049W / E300004  
Chartered Accountants

for and on behalf of the board of directors of  
**TVS Supply Chain Solutions Limited**

**Bharath N S**  
Partner  
Membership No. 210934  
Place: Chennai  
Date: May 27, 2024

**R Dinesh**  
Executive Chairman  
DIN: 00363300

**Ravi Viswanathan**  
Managing Director  
DIN: 08713910

**Ravi Prakash Bhagavathula**  
Chief Financial Officer

**P D Krishna Prasad**  
Company Secretary  
Membership No. 9911

Place: Chennai  
Date: May 27, 2024

# INDEPENDENT AUDITORS' REPORT

To the Members of TVS Supply Chain Solutions Limited

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of TVS Supply Chain Solutions Limited (hereinafter referred to as “the Holding Company”), its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) and joint venture 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 year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid consolidated 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 consolidated state of affairs of the Group and its joint venture as at March 31, 2024, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year 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 and joint venture 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.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Revenue from contract with customers</b> (as described in Note 3B and Note 40 of the consolidated financial statements)	
The Holding Company generates revenue from the sale of traded goods through integrated supply chain contracts and earns service revenue from Supply Chain Management Solutions and Telecommunication Services. For the year ended March 31, 2024, the Company has recognised revenue from contract with customers amounting to Rs. 9,199.98 Crs.	Our audit procedures included the following: <ul style="list-style-type: none"><li>We read the Company's accounting policy pertaining to revenue recognition and assessed compliance with the policies in terms of Ind AS 115 – Revenue from Contract with Customers.</li></ul>

Key audit matters	How our audit addressed the key audit matter
Revenue from sale of traded goods is recognised at a point in time when the control is transferred to the customer. Service revenue from the contracts with the customers are recognised over a period of time in accordance with the terms of the contract with customers which may vary case to case.	<ul style="list-style-type: none"><li>We performed walkthroughs of the Company's revenue process and tested the design and operating effectiveness of such controls in relation to revenue recognition.</li><li>On a sample basis, we tested the contracts with customers, management's revenue recognition assessment, revenue transactions and supporting documentation to evaluate the appropriateness of Principal – Agent assessment, determination of performance obligations, allocating transaction price to these performance obligations and the timing of revenue recognition for these contracts.</li></ul>
Terms of the revenue from contract with customers include multiple distinct performance obligations with varying pricing terms including variable consideration which influences both the measurement of revenues and timing of transfer of control. Management exercises judgment to determine the measurement and timing of revenue recognition including evaluation of whether the Company is acting as a principal or an agent.	<ul style="list-style-type: none"><li>We performed test of details for the selected sample of revenue transactions recorded near the reporting date and tested whether correct revenue was recognised in the appropriate period with reference to the underlying arrangement with the customers.</li><li>We assessed the disclosures for compliance with Ind AS 115 – Revenue from Contract with Customers and Schedule III to the Companies Act, 2013.</li></ul>
Due to the judgement involved in determining performance obligations, assessing whether the Company is acting as a principal or an agent, allocation of transaction price to the identified performance obligation and satisfaction of such performance obligation, this matter is considered as a Key Audit Matter.	
<b>Impairment testing of Goodwill</b> (as described in Note 3E and Note 16A of the consolidated financial statements)	
The carrying amount of goodwill as at March 31, 2024 amounts to Rs. 588.47 Crs and are tested for impairment on an annual basis.	Our audit procedures included the following:
The inputs to assessment of impairment which require exercise of significant judgement include the following: <ul style="list-style-type: none"><li>projected future cash inflows;</li><li>expected growth rate, discount rate, terminal growth rate and gross margin percentage;</li></ul>	<ul style="list-style-type: none"><li>We read the Company's accounting policy for impairment of goodwill and assessed compliance with Ind AS 36 – Impairment of Assets.</li><li>We performed walkthroughs of the Company's impairment testing process and tested the design and operating effectiveness of internal controls over the impairment assessment process.</li><li>Assessed the Group's determination of CGUs based on our understanding of the nature of the Group and their operations, and assessed whether this is compliant with Ind AS 36 – Impairment of assets.</li><li>We assessed the actual performance in the year against the budgets to evaluate historical forecasting accuracy and understood the reasons for significant variances.</li><li>We evaluated the future cash flow forecasts, and the process by which they were drawn up, including testing the underlying calculations and comparing them to budgets approved by the management.</li><li>We challenged the key assumptions such as revenue growth rates, gross margin percentage, capital expenditure, working capital requirements in the forecasts by comparing them to historical results.</li><li>Evaluated competence, capabilities and objectivity of the management's expert involved for determination of discount rate.</li><li>Involved internal experts to test the valuation model and computations including forward looking micro and macro-economic factors that affect the recoverable amount.</li><li>Assessed the recoverable value by performing sensitivity analysis of key assumptions used.</li><li>Tested the arithmetical accuracy of the computation of recoverable amounts.</li><li>Assessed the adequacy of the disclosures in the consolidated financial Statements.</li></ul>
Accordingly, we identified the assessment of impairment as a key audit matter.	



## Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including annexures, Management and Discussion Analysis, General Shareholders Information, Business Responsibility and Sustainability Report and Corporate Governance Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act 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 including its joint venture 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. The respective Board of Directors of the companies included in the Group and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of their respective companies 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 charged with governance of the companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of their respective companies.

## 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our

opinion on whether the Holding 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 ability of the Group and its joint venture 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 and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture 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. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including

any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matter

- We did not audit the financial statements and other financial information, in respect of 5 subsidiaries, whose financial statements include total assets of Rs. 1,480.67 Crs as at March 31, 2024, and total revenues of Rs. 2,261.00 Crs and net cash outflows of Rs. 170.00 Crs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of Rs. 4.29 Crs for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of 1 joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on the reports of such other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing

standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

### 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, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and joint venture incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
  - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept so far as it appears from our examination of those books except for the matters stated in paragraph (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and joint venture, none of the directors of the Group's companies and joint venture, incorporated in India, 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 consolidated financial statements of the Holding Company and its subsidiary companies and joint venture, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint venture incorporated in India, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company, its subsidiaries and joint venture incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- (i) 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint venture, as noted in the 'Other matter' paragraph:
  - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and joint venture in its consolidated financial statements – Refer Note 37 to the consolidated financial statements;
  - ii. The Group and joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, and joint venture, incorporated in India during the year ended March 31, 2024.
  - iv. a) The respective managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of its knowledge and belief, other than as disclosed in the note 51 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and joint venture 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 respective Holding Company or any of such subsidiaries and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The respective managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of its knowledge and belief, other than as disclosed in the note 51 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries and joint venture from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and joint venture 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. No dividend has been declared or paid during the year by the Holding Company, its subsidiaries and joint venture companies, incorporated in India, except



in respect of dividend declared and paid during the year by one subsidiary, until the date of respective audit reports of such Holding Company, its subsidiaries and joint venture companies which is in accordance with section 123 of the Act.

- vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and subsidiaries have 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, during the course of our audit for the applications and period for which audit trail feature is enabled and operated, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered.

In respect of the joint venture and its subsidiaries, as described in Note 54 of the Consolidated financial statements and as reported by the auditor of that joint venture,

- the feature of recording audit trail (edit log) at the database level to log any direct data changes in accounting ERP system could not be verified.
- in respect of the subsidiaries of joint venture, the feature of recording audit trail (edit log) facility was not enabled for the period from April 1, 2023 to April 9, 2023 at application layer of the accounting software used for maintaining the books of accounts. However, in respect of the joint venture and its subsidiaries, to the extent and for the periods where audit trail (edit log) facility was enabled for the respective software, they did not come across any instance of the 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: 24210934BKFUNI1328

Place of Signature: Chennai  
Date: May 27, 2024

## Annexure 1 referred to in our report of even date

### Re: TVS 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, and consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiaries and joint venture incorporated in India, we state that,

(xxi) Adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the Consolidated Financial Statements are:

S no	Name	CIN	Relation	Clause number of the CARO report which is adverse
1	White Data Systems India Private Limited	U72200TN2015PTC129978	Subsidiary	3(xvii)

For **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W / E300004

**per Bharath N S**

Partner

Membership Number: 210934

UDIN: 24210934BKFUNI1328

Place of signature: Chennai

Date: May 27, 2024

## Annexure 2 to the Independent Auditors' Report of even date on the Consolidated Financial Statements of TVS Supply Chain Solutions Limited

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

In conjunction with our audit of the consolidated financial statements of TVS Supply Chain Solutions Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint venture, which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated 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, 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated 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 Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated 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 Group and joint venture, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were

operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these three subsidiaries and one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and joint venture incorporated in India.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Bharath N S**

Partner

Membership Number: 210934

UDIN: 24210934BKFUNI1328

Place of Signature: Chennai

Date: May 27, 2024



## Consolidated Balance Sheet

As at March 31, 2024

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

	Note	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	15A	337.98	325.62
Capital work-in-progress	15B	2.86	13.78
Goodwill	16A	588.47	608.42
Other intangible assets	16A	237.50	248.12
Intangible asset under development	15B	9.04	21.66
Right-of-use assets	16B	1,185.76	1,113.63
Investments accounted for using the equity method	17	93.09	104.80
Financial assets			
Investments	19	0.20	0.20
Trade receivable	24	6.04	6.04
Other bank balances	26	0.05	7.94
Deposits and other receivables	20	62.30	78.71
Deferred tax assets (net)	14	150.14	124.27
Non-current tax assets (net)		34.57	97.64
Other non-current assets	22	2.27	5.91
<b>Total non-current assets</b>		<b>2,710.27</b>	<b>2,756.74</b>
<b>Current Assets</b>			
Inventories	23	386.57	345.06
Financial assets			
Trade receivables	24	1,403.19	1,228.21
Cash and cash equivalents	25	509.36	1,085.79
Other bank balances	26	87.47	86.31
Loans	27	-	-
Deposits and other receivables	20	101.52	92.31
Other financial assets	21	8.84	3.80
Current tax assets (net)		31.20	43.61
Other current assets	28	590.94	569.07
<b>Total current assets</b>		<b>3,119.09</b>	<b>3,454.16</b>
<b>Total assets</b>		<b>5,829.36</b>	<b>6,210.90</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	29A	44.05	36.43
Other equity	29B	1,770.98	687.13
<b>Equity attributable to owners of the Company</b>		<b>1,815.03</b>	<b>723.56</b>
Non-controlling interests	18	29.70	36.46
<b>Total equity</b>		<b>1,844.73</b>	<b>760.02</b>

## Consolidated Balance Sheet

As at March 31, 2024

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

	Note	As at March 31, 2024	As at March 31, 2023
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	30	2.75	498.59
Lease liability	16B	981.29	924.33
Other financial liabilities	32	2.93	79.86
Provisions	33	56.41	52.87
Deferred tax liabilities (net)	14	58.70	93.53
Other non current liabilities	34	10.61	1.05
<b>Total non-current liabilities</b>		<b>1,112.69</b>	<b>1,650.23</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	30	791.19	1,491.02
Lease liability	16B	423.79	410.04
Trade payables	31		
- Total outstanding dues of micro enterprises and small enterprises		72.52	110.41
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,295.70	1,316.91
Other financial liabilities	32	91.71	262.07
Provisions	33	26.94	30.27
Current tax liabilities (net)		18.43	28.29
Other current liabilities	35	151.66	151.64
<b>Total current liabilities</b>		<b>2,871.94</b>	<b>3,800.65</b>
<b>Total liabilities</b>		<b>3,984.63</b>	<b>5,450.88</b>
<b>Total equity and liabilities</b>		<b>5,829.36</b>	<b>6,210.90</b>

The notes from 1 to 54 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

for and on behalf of the board of directors of  
**TVS Supply Chain Solutions Limited**

**Bharath N S**  
Partner  
Membership No. 210934  
Place: Chennai  
Date: May 27, 2024

**R Dinesh**  
Executive Chairman  
DIN: 00363300

**Ravi Prakash Bhagavathula**  
Chief Financial Officer

**Ravi Viswanathan**  
Managing Director  
DIN: 08713910

**P D Krishna Prasad**  
Company Secretary  
Membership No. 9911

Place: Chennai  
Date: May 27, 2024

## Consolidated Statement of Profit and Loss

For the year ended March 31, 2024

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

	Note	Year ended March 31, 2024	Year ended March 31, 2023
<b>Continuing operations</b>			
Revenue from operations	5	9,199.98	9,994.38
Other income	6	54.85	75.63
<b>Total income</b>		<b>9,254.83</b>	<b>10,070.01</b>
<b>Expenses</b>			
Freight, clearing, forwarding and handling charges		2,327.79	3,732.88
Sub-contracting costs and casual labour charges		1,471.55	1,430.59
Cost of materials consumed	7	12.21	11.43
Purchase of stock-in-trade	8	1,683.94	1,412.32
Changes in inventory of stock-in-trade	9	(34.80)	(40.34)
Impairment losses on financial instrument		(1.70)	41.93
Employee benefits expense	10	2,243.25	2,010.62
Finance costs	11	202.71	185.08
Depreciation and amortisation expense	12	556.72	501.55
Other expenses	13	807.11	732.78
<b>Total expenses</b>		<b>9,268.78</b>	<b>10,018.84</b>
<b>Profit / (loss) before exceptional items, share of profit / (loss) of equity accounted investees and income tax from continuing operations</b>		<b>(13.95)</b>	<b>51.17</b>
Exceptional items	48	(26.41)	(10.00)
Share of profit/(loss) of equity accounted investees (net of income tax)	17	4.29	4.78
<b>Profit / (loss) before tax from continuing operations</b>		<b>(36.07)</b>	<b>45.95</b>
<b>Tax expenses</b>			
Current tax		80.81	49.88
Deferred tax (expense/ (credit))		(59.16)	(51.58)
<b>Total tax expenses</b>	14	<b>21.65</b>	<b>(1.70)</b>
<b>Profit / (loss) for the year from continuing operations</b>		<b>(57.72)</b>	<b>47.65</b>
<b>Discontinued operations</b>			
Profit / (loss) from discontinued operations before tax expenses		(32.77)	(5.89)
<b>Tax expense of discontinued operations</b>			
Current / Deferred tax on discontinued operations		-	-
<b>Profit / (loss) after tax from discontinued operations</b>		<b>(32.77)</b>	<b>(5.89)</b>
<b>Profit / (loss) for the year</b>		<b>(90.49)</b>	<b>41.76</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Re-measurement gain / (loss) on defined benefit plans		(2.39)	(2.80)
Income tax relating to above		0.60	1.10
<b>Net other comprehensive income not to be reclassified subsequently to profit or loss</b>		<b>(1.79)</b>	<b>(1.70)</b>
<b>Items that will be reclassified subsequently to profit or loss</b>			
Exchange gain / (loss) in translating financial statements of foreign operations (net of tax)		1.53	(54.51)
Net movement of effective portion of cash flow hedge (net of tax)		11.46	5.56
<b>Net other comprehensive income to be reclassified subsequently to profit or loss</b>		<b>12.99</b>	<b>(48.95)</b>

## Consolidated Statement of Profit and Loss

For the year ended March 31, 2024

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

	Note	Year ended March 31, 2024	Year ended March 31, 2023
<b>Other comprehensive income for the year, net of tax</b>		<b>11.20</b>	<b>(50.65)</b>
<b>Total comprehensive income for the year</b>		<b>(79.29)</b>	<b>(8.89)</b>
<b>Profit / (loss) attributable to:</b>			
Owners of the Company		(101.21)	39.81
Non-controlling interests	18	10.72	1.95
<b>Profit/(loss) for the year</b>		<b>(90.49)</b>	<b>41.76</b>
<b>Other comprehensive income attributable to:</b>			
Owners of the Company		10.60	(51.01)
Non-controlling interests	18	0.60	0.36
<b>Other comprehensive income for the year</b>		<b>11.20</b>	<b>(50.65)</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		(90.61)	(11.20)
Non-controlling interests	18	11.32	2.31
<b>Total comprehensive income for the year</b>		<b>(79.29)</b>	<b>(8.89)</b>
<b>Earnings / (loss) per share (₹) for continuing operations</b>			
Basic	29E	(1.62)	1.19
Diluted		(1.62)	1.17
<b>Earnings / (loss) per share (₹) for discontinued operations</b>			
Basic	29E	(0.78)	(0.15)
Diluted		(0.78)	(0.15)
<b>Earnings / (loss) per share (₹) for continuing and discontinued operations</b>			
Basic	29E	(2.40)	1.04
Diluted		(2.40)	1.02

The notes from 1 to 54 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

for and on behalf of the board of directors of

**TVS Supply Chain Solutions Limited**

**Bharath N S**

Partner

Membership No. 210934

Place: Chennai

Date: May 27, 2024

**R Dinesh**

Executive Chairman

DIN: 00363300

**Ravi Prakash Bhagavathula**

Chief Financial Officer

**Ravi Viswanathan**

Managing Director

DIN: 08713910

**P D Krishna Prasad**

Company Secretary

Membership No. 9911

Place: Chennai

Date: May 27, 2024



## Consolidated Statement of Cash Flows

For the year ended March 31, 2024

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

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flow from / (used in) operating activities</b>		
<b>Profit / (loss) before tax from continuing operations</b>	<b>(36.07)</b>	<b>45.95</b>
<b>Adjustments for:</b>		
Interest income	(31.75)	(13.05)
Provision no longer required written back	(2.52)	-
Exceptional item loss (net)	26.41	10.00
Finance costs	202.71	185.08
Depreciation and amortisation expense	556.72	501.55
Gain on termination of lease contracts	(2.89)	(3.67)
Interest income on income tax refund	(4.40)	-
Unrealised foreign exchange differences	(7.09)	(51.90)
Impairment losses on financial instrument	(1.70)	41.93
Share of (profit) of equity accounted investees	(4.29)	(4.78)
Share based payment expenses	3.35	21.96
(Gain)/Loss on sale of property plant and equipment, net	(5.73)	2.62
<b>Operating profit before changes in operating assets and liabilities</b>	<b>692.75</b>	<b>735.69</b>
<b>Change in working capital adjustment</b>		
(Increase) / decrease in inventories	(33.94)	(41.38)
(Increase) / decrease in trade receivables	(199.40)	78.15
(Increase) / decrease in other current and non-current, financial and non-financial assets	154.91	19.03
Increase / (decrease) in trade payables	(168.06)	(96.81)
Increase / (decrease) in provisions	(0.05)	1.69
Increase / (decrease) in other current and non-current, financial and non-financial liabilities	(284.63)	121.24
<b>Cash flows from / (used in) operations</b>	<b>161.58</b>	<b>817.61</b>
Income taxes paid, net of refunds	(10.40)	(72.78)
Net cash flows from / (used in) from continuing operating activities	<b>151.18</b>	<b>744.83</b>
Net cash flows from / (used in) from discontinued operating activities	(23.60)	(11.17)
<b>Net cash flows from / (used in) from continuing and discontinued operating activities</b>	<b>127.58</b>	<b>733.66</b>
<b>Cash flows from/ (used in) investing activities</b>		
Redemption of / (Investment in) bank deposits having an original maturity of more than three months	6.79	(83.18)
Purchase of property, plant and equipment and other intangible assets	(123.55)	(145.43)
Proceeds from sale of property, plant and equipment	11.97	1.88
Redemption/(Investment) in mutual funds	(2.02)	-
Payment of deferred consideration	(52.04)	(9.68)
Acquisition of non-controlling interests	(32.68)	(7.19)
Proceeds from sale of shares in equity accounted investee	51.30	-
Interest income received	18.02	6.52
Net cash flows from/ (used in) continuing investing activities	<b>(122.21)</b>	<b>(237.08)</b>
Net cash flows from/ (used in) discontinued investing activities	-	3.61
<b>Net cash flows from/ (used in) continuing and discontinued investing activities</b>	<b>(122.21)</b>	<b>(233.47)</b>

## Consolidated Statement of Cash Flows

For the year ended March 31, 2024

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

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flows from/ (used in) financing activities</b>		
Payment of principal and interest payments of lease liability from continuing operations	(477.72)	(447.36)
Proceeds from issue of equity shares pursuant to exercise of share options	81.78	0.97
Proceeds from issue of equity shares under Pre-IPO placement	75.00	-
Proceeds from initial public offer	600.00	-
Proceeds from issue of compulsorily convertible preference shares	200.00	292.30
Share issue expenses	(29.51)	(42.65)
(Repayment of) / proceeds from short term borrowings, net	(106.37)	78.15
Proceeds from long term borrowings	2.94	50.00
Repayment of long term borrowings	(818.81)	(245.03)
Interest paid	(109.95)	(100.50)
Net cash flows from/ (used in) continuing financing activities	<b>(582.64)</b>	<b>(414.12)</b>
Net cash flows from/ (used in) discontinued financing activities	(9.16)	(5.27)
<b>Net cash flows from/ (used in) continuing and discontinued financing activities</b>	<b>(591.80)</b>	<b>(419.39)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(586.43)</b>	<b>80.80</b>
Net foreign exchange difference	10.00	11.16
Cash and cash equivalents at the beginning of the year	1,085.79	993.83
<b>Cash and cash equivalents at the end of the year from continuing and discontinued operations</b>	<b>509.36</b>	<b>1,085.79</b>

The notes from 1 to 54 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

for and on behalf of the board of directors of  
**TVS Supply Chain Solutions Limited**

**Bharath N S**  
Partner  
Membership No. 210934  
Place: Chennai  
Date: May 27, 2024

**R Dinesh**  
Executive Chairman  
DIN: 00363300

**Ravi Prakash Bhagavathula**  
Chief Financial Officer

**Ravi Viswanathan**  
Managing Director  
DIN: 08713910

**P D Krishna Prasad**  
Company Secretary  
Membership No. 9911

Place: Chennai  
Date: May 27, 2024

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

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# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

## 1 Reporting entity

The consolidated financial statements comprise financial statements of TVS Supply Chain Solutions Limited ("the Company" or "the Parent") and its subsidiaries (referred to collectively as "the Group") and the Group's interest in joint venture (CIN: L63011TN2004PLC054655) for the year ended March 31, 2024. Refer note 46 for the list of subsidiaries and note 17 for joint venture. The company is a public company domiciled in India and is incorporated on November 16, 2004 under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India on August 23, 2023. The registered office of the Company is located at 10 Jawahar Road, Chokkikulam, Madurai – 625 002, Tamil Nadu, India.

The Group is a tech-led and asset-light supply chain solutions provider with capabilities across the value chain and it operates in two segments, the Integrated Supply Chain Solutions segment (ISCS) and the Network Solutions segment (NS).

## 2 Basis of preparation

### A Statement of compliance and going concern assessment

These consolidated financial statements (CFS) 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 CFS.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. These consolidated financial statements were approved for issue by the Company's Board of Directors on May 27, 2024. Details of the Group's accounting policies are included in Note 3.

As more fully discussed in note 45 of the financial statements, the Group has treated the disposal of Circle Express Limited, UK as a discontinued operation. Accordingly, the financial results of Circle Express Limited, UK for the year ended

March 31, 2023 has been restated in accordance with Ind AS 105 - Non-current assets held for sale and discontinuing operations.

### B Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the 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. Functional currency is the currency of the primary economic environment in which the entities forming part of Group operates and is normally the currency in which the entities forming part of Group primarily generates and expends cash. 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
Net defined benefit asset	Fair value of plan assets less present value of defined benefit

### 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.

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:

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

## (i) Revenue from contracts with customers Identifying performance obligations and allocation of transaction price:

Terms of the revenue from contract with customers include multiple distinct performance obligations with varying pricing terms including variable consideration which influences both the measurement of revenues and timing of transfer of control. Management exercises judgment to determine the measurement and timing of revenue recognition including evaluation of whether the Group is acting as a principal or an agent including determination of performance obligations, allocation of transaction price to the identified performance obligation and satisfaction of such performance obligation.

## (ii) Property, plant and equipment and intangible assets – useful lives:

Property, plant and equipment represent a significant proportion of the asset base of the Group. 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 Group'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.

## (iii) Provision for expected credit losses of trade receivables and contract assets:

The Group 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 Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates. In calculating expected credit loss, the Group has also

considered external credit information for its customers to estimate the probability of default in future, where ever necessary.

## (iv) 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.

## (v) 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 Group 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 Goodwill and Other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed in Note 16A.

## (vi) Lease classification, termination and renewal option of leases

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

by an option to terminate the lease, if it is reasonably certain not to be exercised. 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. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that the Group 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 Group 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 Group’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 Group has concluded that no material changes are required to lease period relating to the existing lease contracts. Hence, the Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease.

Refer to Note 38 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

## (vii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment for the year ended March 31, 2024 and March 31, 2023 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 36A – Measurement of defined benefit obligations: key actuarial assumptions;
- Note 43 – Financial instruments - Fair values and risk management

## 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 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 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.

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

- 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 43 – Financial instruments - Fair values and risk management.

## F Current versus non-current classification

Current and non-current classification are in line with the requirements of Schedule III to the Companies Act, 2013.

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 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.

## G Draft Scheme of Amalgamation

The Board of Directors at its meeting held on February 5, 2024, has accorded its approval to the draft Scheme of Amalgamation which provides for the merger of TVS SCS Global Freight Solutions Limited, White Data Systems Private Limited, SPC International (India) Private Limited and FLEXOL Packaging (India) Limited which are wholly owned subsidiaries of the Company, and Mahogany Logistics Services Private Limited (formerly known as ‘DRSR Logistics Services Private Limited’) with and into TVS Supply Chain Solutions Limited.

The Scheme would be subject to the sanction and approval of the National Company Law Tribunal, the relevant stock exchanges and shareholders. The Scheme when approved by all the regulatory authorities and relevant stakeholders will be accounted for in accordance with Indian Accounting Standards (“Ind AS”).

## 3 Material accounting policies

### A Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

## i. Initial recognition and measurement

All financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

All financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss. 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 classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (B) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

## ii. Classification and subsequent measurement

### A. 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 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.

### 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 the 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 or loss.

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

## 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.

Compulsorily Convertible preference shares are separated into liability and equity components based on the terms of the contract. On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds are allocated to the conversion option that is recognised and included in equity if the conversion option meets Ind AS 32 criteria for fixed to fixed classification and as liability if the conversion option does not meet Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option are remeasured on every reporting period and the difference is recognised in the statement of profit and loss.

If the day 1 profit or loss is not evidenced by a quoted price in an active market for an identical asset or liability (i.e. Level 1 input) nor based on a valuation technique that uses only data from observable markets, then the entity does not recognise a gain or loss on initial recognition.

## 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 consolidated 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.

## v. Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts, interest rate/cross currency swaps

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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 (refer note 32 & 43(D)(v)).

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 Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the group'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.

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

The Group 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).

## B 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 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:

#### a) Supply chain management

The Group's supply chain management segment generates revenue from services



## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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 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 recognised over the term of the contract.

In the case of transportation services, 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 recognised proportionally as a shipment moves and the related costs are recognised 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 Group recognises revenue on a net basis when the Group does not control the specific services.

### b) Telecommunication

Telecommunication contract revenue arises from construction/ erection of towers for some of the Group'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.

### c) Integrated logistics

Integrated logistics services comprise of transportation, warehousing and other value-added supply chain solutions. In respect of contracts where the Group 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 Group, the Group controls that specified good or service before it is transferred to the customer. Revenues from such contracts are recognised upon substantial fulfilment of obligations under the contract.

### d) Sale of goods

Revenue from sale of traded 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 Group will collect the consideration to which it is entitled for the exchanged goods.

### e) Commission:

When the Group acts in the capacity of an agent rather than as the principal in a transaction in relation to the above, the revenue recognised is the net amount of revenue earned by the Group.

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

### Variable consideration:

Some of 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.

### Unbilled revenue:

Unbilled revenue represents value of services under performance / 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.

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.

#### 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.

## C Basis of consolidation

### i. Business combinations

#### Business combinations (other than common control business combinations)

In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. 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.

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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.

## Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts.

## 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.

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. 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 obligation 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 derecognised upon settlement of the consideration to acquire NCI.

## v. 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

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

- 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 joint venture.

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.

The results, assets and liabilities of joint venture is 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 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. Gain or loss in respect of changes in other equity of joint venture resulting in divestment or dilution of stake in the joint venture is recognised in the Statement of Profit and Loss. On acquisition of investment in a joint venture, any excess of cost of investment over the fair value of the assets and liabilities of the joint venture, is recognised as goodwill and is included in the carrying value of the investment in the joint venture. 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 venture is eliminated by reducing the carrying amount of investment. The carrying amount of investment in joint venture is reduced to recognise impairment, if any, when there is evidence of impairment.

When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long

term interests that, in substance, form part of the Group's net investment in the joint venture), 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.

## 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.

## vii. Consolidation procedure

- 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.
- 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.
- 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.

Profit or loss and each component of other comprehensive income (OCI) 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



# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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.

### viii. 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.

## D Goodwill and other intangibles

### i. Goodwill

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. 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 OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity

recognises the gain directly in equity as capital reserve, without routing the same through OCI. Subsequent measurement is at cost less any accumulated impairment losses.

### ii. Other intangible assets

On transition to Ind AS (i.e. April 1, 2016), the Group has elected to continue with the carrying value of all Intangible Assets measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible Assets.

For subsequent measurement, 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. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

### iii. 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

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

### iv. 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.

### v. Amortisation

Goodwill is not amortised and is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

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 and loss unless such expenditure forms part of carrying value of another asset.

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.

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	03 to 10
Customer relationship and others	03 to 10
Brands	05 to 10
Computer software	03 to 10

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon 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 and loss. when the asset is derecognised.

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

## E 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;

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

- 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 based on simplified approach, 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.

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 Discounted Cash Flow (DCF) model. The estimated cash flows are developed based

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

on internal forecasts and do not include restructuring activities that the Group 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 Goodwill and Other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed in Note 16A.

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).

The group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/ forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In

any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

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.

## F 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.



# Notes to Consolidated Financial Statements

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## (ii) Share-based payment transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. 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 under share based payment reserve, over the period that the employees unconditionally become entitled to the awards. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## (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 Group'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 Group, 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

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

OCI. The Group 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:

- The date of the plan amendment or curtailment, and
- 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. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

## (v) Other long-term employee benefits

The Group's net obligation in respect of compensated absences 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 (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.

## i. Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group 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 Group recognises any impairment loss on the assets associated with that contract.

## H 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

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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 shorter of the lease term or the estimated useful lives of the assets.

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 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 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.

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

### I Contingent liabilities

#### 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.

### J Property, plant and equipment

#### i. Recognition and measurement

On transition to Ind AS (i.e. April 1, 2016), the group has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

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

Capital work in progress is stated at cost, net of accumulated impairment loss, 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.

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.

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 and loss when the asset is derecognised.

#### ii. Subsequent expenditure

Subsequent expenditure is capitalised only if 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.

#### 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 recognised in the statement of profit and loss. Freehold land is not depreciated.

The Group reviews the estimated residual values and expected useful lives of assets at least annually.

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	30-60
Plant and Machinery	02-30
Furniture and fixtures	01-10
Vehicles	03-10
Office equipment	03-10
Computer equipment	03-10
Leasehold improvements	*

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



## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

Based on technical evaluation and consequent advice, the management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used 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).

### K 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, that are readily convertible to a known amount of cash and 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 an original maturity period of more than three months are classified as other bank balances.

For the purpose of the consolidated 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 Group's cash management.

### L 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.

### M 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').

### N 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.

### O 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

## Notes to Consolidated Financial Statements

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is intended to realise the asset and settle the liability on a net basis or simultaneously.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

#### 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.

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.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

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.

### P 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 or production 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.

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

## Q Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss 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.

## R 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.

## S 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.

## T Foreign currency

### i. Foreign currency transactions

Transactions in foreign currencies are initially recorded at 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.

### 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 INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR 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.

## U Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. Additional disclosures are provided in Note 45.

## V 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 March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. The Group has applied these standards and amendments for the first-time.

### (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 Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at April 1, 2023.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34 which had no impact on the Group's financial statements.

## W Standards notified but not yet effective

There are no such Standards which are notified but not yet effective.



## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### 4 Segment information

#### A. Basis for segmentation

The Group is primarily involved in providing a wide range of supply chain management services. The information relating to this operating segment is reviewed regularly by the Group's Key managerial personnel ('KMP') (Chief Operating Decision Maker) to make decisions about resources to be allocated and to assess its performance. The accounting principles used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in the segment, and are as set out in the significant accounting policies.

Our solutions spanning the entire value chain from sourcing to consumption can be divided into two segments: (i) integrated supply chain solutions ("ISCS"); and (ii) network solutions ("NS").

**Integrated supply chain solutions:** Our capabilities under the ISCS segment include sourcing and procurement, integrated transportation, logistics operation centers, in-plant logistics operations, finished goods, aftermarket fulfillment and supply chain consulting

**Network Solutions:** Our capabilities under the NS segment include global forwarding solutions ("GFS"), which involves managing end-to-end freight forwarding and distribution across ocean, air and land, warehousing and at port storage and value added services, and integrated final mile solutions ("IFM") which involves closed loop logistics and support including spares logistics, break-fix, refurbishment and engineering support, and courier and consignment management.

#### B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Revenue and results directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocated expenses.

#### Year ended March 31, 2024

	Reportable segments					Total
	ISCS	NS	Unallocated	Total reportable segments	Eliminations	
Segment revenue						
- External revenue	5,239.96	3,960.02	-	9,199.98	-	9,199.98
- Inter-segment revenue	7.28	22.51	-	29.79	(29.79)	-
<b>Total segment revenue</b>	<b>5,247.24</b>	<b>3,982.53</b>	<b>-</b>	<b>9,229.77</b>	<b>(29.79)</b>	<b>9,199.98</b>
<b>Segment result from continuing operations</b>	<b>536.21</b>	<b>185.85</b>	<b>(114.22)</b>	<b>607.84</b>	<b>102.30</b>	<b>710.14</b>
<b>Add</b>						
Other income						54.85
Share of profit from investments accounted for using the equity method						4.29
Exceptional items						(26.41)
<b>Less</b>						
Depreciation and amortisation expense						556.72
Finance costs						202.71
Share based payments						3.35
Loss on foreign currency transactions and translations						16.16

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

	Reportable segments					Total
	ISCS	NS	Unallocated	Total reportable segments	Eliminations	
<b>Profit/(loss) before tax from continuing operations</b>						<b>(36.07)</b>
<b>Profit/(loss) before tax from discontinued operations</b>						<b>(32.77)</b>
<b>Segment assets</b>	<b>3,106.40</b>	<b>2,535.92</b>	<b>4,620.36</b>	<b>10,262.68</b>	<b>(4,433.32)</b>	<b>5,829.36</b>
<i>Other disclosures</i>						
Investments accounted for using equity method	-	-	93.09	93.09	-	93.09
Capital expenditure during the year	119.54	32.57	-	152.11	-	152.11
<b>Segment liabilities</b>	<b>2,642.38</b>	<b>2,034.53</b>	<b>626.96</b>	<b>5,303.87</b>	<b>(1,319.24)</b>	<b>3,984.63</b>

#### Year ended March 31, 2023

	Reportable segments					Total
	ISCS	NS	Unallocated	Total reportable segments	Eliminations	
<b>Segment revenue</b>						
- External revenue	4,580.63	5,413.75	-	9,994.38	-	9,994.38
- Inter-segment revenue	3.52	21.58	-	25.10	(25.10)	-
<b>Total segment revenue</b>	<b>4,584.15</b>	<b>5,435.33</b>	<b>-</b>	<b>10,019.48</b>	<b>(25.10)</b>	<b>9,994.38</b>
<b>Segment result from continuing operations</b>	<b>408.10</b>	<b>301.06</b>	<b>(129.09)</b>	<b>580.07</b>	<b>105.05</b>	<b>685.12</b>
<b>Add</b>						
Other income						75.63
Share of profit from investments accounted for using the equity method						4.78
Exceptional items						(10.00)
<b>Less</b>						
Depreciation and amortisation expense						501.55
Finance costs						185.08
Share based payments						21.96
Loss on foreign currency transactions and translations						0.99
<b>Profit/(loss) before tax from continuing operations</b>						<b>45.95</b>
<b>Segment assets</b>	<b>3,657.40</b>	<b>2,386.91</b>	<b>4,080.99</b>	<b>10,125.30</b>	<b>(3,914.40)</b>	<b>6,210.90</b>
Segment assets include						
Investments accounted for using equity method	-	-	104.80	104.80	-	104.80
Capital expenditure during the year	90.71	28.74	-	119.45	-	119.45
<b>Segment liabilities</b>	<b>2,886.30</b>	<b>2,356.04</b>	<b>2,820.54</b>	<b>8,062.88</b>	<b>(2,612.00)</b>	<b>5,450.88</b>

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

	Year ended March 31, 2024	Year ended March 31, 2023
Reconciliation of profits		
<b>Segment results</b>	<b>607.84</b>	<b>580.07</b>
Other income	289.08	234.51
Finance Cost	(186.78)	(129.46)
<b>Segment results before taxation from continuing operations</b>	<b>710.14</b>	<b>685.12</b>
Reconciliation of assets	March 31, 2024	March 31, 2023
<b>Segment operating assets</b>	<b>10,262.68</b>	<b>10,125.30</b>
Goodwill & other intangibles assets	246.87	253.36
Investments	(3,342.99)	(1,469.93)
Loans	(794.17)	(1,978.05)
Deposits and other receivables	(289.70)	(493.47)
Trade receivables	(251.89)	(202.88)
Deferred tax assets (net)	(1.44)	(24.03)
Other current assets	-	0.60
<b>Total assets</b>	<b>5,829.36</b>	<b>6,210.90</b>
Reconciliation of liabilities	March 31, 2024	March 31, 2023
<b>Segment operating liabilities</b>	<b>5,303.87</b>	<b>8,062.88</b>
Borrowings	(846.91)	(2,194.90)
Other financial liabilities	(191.10)	(226.66)
Trade payables	(296.53)	(251.31)
Deferred tax liabilities (net)	39.79	65.05
Other current liabilities	(21.29)	(1.09)
Current tax liabilities	(3.20)	(3.09)
<b>Total liabilities</b>	<b>3,984.63</b>	<b>5,450.88</b>

### C. Geographical information

The geographical information analyses the Group's revenues and non-current assets by the Group's country of domicile (i.e. India) 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.

	March 31, 2024	March 31, 2023
Revenue from operations		
India	2,711.00	3,026.71
Rest of the world	6,488.98	6,967.67
	<b>9,199.98</b>	<b>9,994.38</b>

Revenue from operations from Rest of the world primarily comprises of revenues generated from Europe, Asia-Pacific, North America amounting to ₹ 4,453.54 crores as at March 31, 2024 (March 31, 2023: ₹ 4,046.11 crores) ₹ 1,239.83 crores (March 31, 2023: ₹ 2,215.37 crores) and ₹ 795.61 crores (March 31, 2023: ₹ 706.20 crores) respectively.

	March 31, 2024	March 31, 2023
Non-current assets		
India	542.08	701.42
Rest of the world	1,671.66	1,476.30
Eliminations/unallocated	150.14	159.42
	<b>2,363.88</b>	<b>2,337.14</b>

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

Non-current assets from Rest of the world primarily comprises of non-current assets from Europe, Asia-Pacific, North America amounting to ₹ 800.97 crores as at March 31, 2024 (March 31, 2023: ₹ 807.33 crores) ₹ 640.44 crores (March 31, 2023: ₹ 466.54 crores) and ₹ 230.25 crores (March 31, 2023: ₹ 202.43 crores) respectively.

Non-current assets exclude financial instruments, deferred tax assets, tax assets and post-employment benefit assets.

### D. Information about services rendered by the Group

Revenues from external customers in respect of each category of services rendered by the Group are as follows:

Revenue	March 31, 2024	March 31, 2023
ISCS	5,239.96	4,580.63
NS	3,960.02	5,413.75
	<b>9,199.98</b>	<b>9,994.38</b>

### 5 Revenue from operations

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Sale of products</b>	<b>2,040.37</b>	1,643.03
<b>Sale of services</b>		
Income from supply chain management services	7,003.98	8,176.32
Income from telecom services	154.96	153.65
	<b>7,158.94</b>	<b>8,329.97</b>
<b>Other operating revenue</b>		
Scrap sales	0.63	2.37
Others	0.04	19.01
	<b>0.67</b>	<b>21.38</b>
	<b>9,199.98</b>	<b>9,994.38</b>

### 6 Other income

	Year ended March 31, 2024	Year ended March 31, 2023
Interest income under the effective interest method on items carried at amortised cost:		
Deposits with banks	18.02	4.29
Security deposits	8.24	6.53
Other items in finance income	0.01	0.32
Income from finance lease	1.08	1.73
Interest income on income tax refund	4.40	0.18
Gain on sale of property, plant and equipments, net	5.94	-
Gain on termination of lease contracts	2.89	3.67
Net gain on sale of investments	2.01	0.17
Provision no longer required written back	2.52	-
Exchange difference gain net	6.93	52.89
Government grant	-	0.20
Other non operating income	2.81	5.65
	<b>54.85</b>	<b>75.63</b>



## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### 7 Cost of materials consumed

	Year ended March 31, 2024	Year ended March 31, 2023
Inventory of packing materials at the beginning of the year	3.59	2.71
Add: Purchases	11.99	12.31
Less: Inventory of packing materials at the end of the year	(3.37)	(3.59)
	12.21	11.43

### 8 Purchase of stock-in-trade

	Year ended March 31, 2024	Year ended March 31, 2023
Purchase of stock-in-trade	1,683.94	1,412.32
	1,683.94	1,412.32

### 9 Changes in inventory of stock-in-trade

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Inventories at the beginning of the year</b>		
Stock-in-trade	338.40	286.07
<b>Inventories at the end of the year</b>		
Stock-in-trade	(380.56)	(338.40)
Exchange differences on translation of foreign operations	7.36	11.99
	(34.80)	(40.34)

### 10 Employee benefits expense

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	1,886.06	1,664.00
Contribution to provident and other funds	211.52	196.83
Expenses related to post-employment defined benefit plans	5.85	4.96
Expenses related to compensated absences	6.46	5.77
Share based payments	3.35	21.96
Staff welfare expenses	130.01	117.10
	2,243.25	2,010.62

### 11 Finance costs

	Year ended March 31, 2024	Year ended March 31, 2023
Interest on debt and borrowings	94.00	91.46
Interest on lease liabilities	85.08	78.99
Amortisation of transaction cost on borrowing	7.68	6.04
Other borrowing costs	15.95	8.59
	202.71	185.08

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### 12 Depreciation and amortisation expense

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment	89.81	92.45
Depreciation of right of use asset	415.05	362.02
Amortisation of intangible assets	51.86	47.08
	556.72	501.55

### 13 Other expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Material handling charges	37.38	31.16
Consumption of stores and spares	55.97	64.79
Staff transportation charges	18.20	17.12
Power and fuel	63.38	58.00
Rent, leasing and hiring charges (refer note 16B)	110.95	85.55
Rates and taxes	37.64	39.29
Insurance	39.41	31.35
Repairs and maintenance	146.63	135.95
Advertisement and business promotion	7.91	9.83
Travelling and conveyance	44.59	36.66
Communication costs	40.06	42.33
Printing & stationery	19.40	18.67
Bank charges	7.37	7.48
Factoring charges	27.62	25.72
Payment to auditors	2.89	1.61
Legal and professional fees	65.61	67.14
Security expenses	44.46	45.92
Loss on foreign currency transactions and translations	16.16	0.99
Loss on sale of property, plant and equipments, net	0.21	2.62
Miscellaneous expenses	21.27	10.60
	807.11	732.78

### 14 Income tax expense

#### A. Amounts recognised in profit or loss

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Current tax (a)</b>		
Current tax on profits for the year from continuing operations	80.81	49.88
	80.81	49.88
<b>Deferred tax (b)</b>		
Attributable to origination and reversal of temporary differences	(59.16)	(51.58)
	(59.16)	(51.58)
<b>Tax expense (a+b)</b>	21.65	(1.70)

Note:

Current tax / Deferred tax on profits from discontinued operations

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### B. Income tax recognised in other comprehensive income

	Year ended March 31, 2024			Year ended March 31, 2023		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Remeasurement of defined benefit liability / (asset)	(2.39)	0.60	(1.79)	(2.80)	1.10	(1.70)
	<b>(2.39)</b>	<b>0.60</b>	<b>(1.79)</b>	<b>(2.80)</b>	<b>1.10</b>	<b>(1.70)</b>

### C. Reconciliation of effective tax rate

	Year ended March 31, 2024	Year ended March 31, 2023
Income tax expense at tax rates applicable to individual entities	10.33	20.08
<b>Effect of:</b>		
Impact of change in tax rates/Change on account of adoption of lower tax regime	(0.13)	21.81
Permanent disallowances	4.99	0.35
Income not subject to tax/ taxable at different rates	3.26	18.73
Change / utilisation in previously unrecognised tax losses / temporary differences	(27.01)	(27.62)
Items / current year losses for which no deferred tax asset was recognised	23.97	11.16
Expenses not deductible for tax purposes/ reversal of deferred tax liability created on assets identified during business combinations	54.37	15.72
Tax incentive	(0.30)	(0.12)
Deferred tax on undistributed reserves	(33.31)	(52.36)
Others	(14.52)	(9.45)
<b>Income tax expense as per statement of profit and loss</b>	<b>21.65</b>	<b>(1.70)</b>

During the year ended March 31, 2024, after a review of its dividend repatriation plans, the Company reversed the deferred tax liability previously created on undistributed profits from a wholly owned subsidiary TVS Logistics Investment UK Limited and its step down subsidiaries, amounting to ₹ 26.83 Crores (March 31, 2023: ₹ 24.03 crores).

During the year ended March 31, 2023, the management has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 for TVS Supply Chain Solutions Limited. Accordingly, the Company has re-measured its Deferred tax asset basis the rate prescribed in the said section and deferred tax asset of the Company has reduced by ₹21.81 crores.

On September 29, 2022, the Company entered into a binding agreement to buy the remaining stake of 4.79% in TVS SCS Global Freight Solutions Limited for a consideration of ₹7.19 crores. These shares have been acquired on October 12, 2022. Consequent to the management plans of merging TVS SCS Global Freight Solutions Limited into the Company in the near future, deferred tax liability created on undistributed reserves in the earlier years amounting to ₹ 28.85 crores has been reversed to P&L account for the year ended March 31, 2023.

### D. Recognised deferred tax assets and liabilities

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

	March 31, 2024	March 31, 2023
Deferred tax liabilities (net)		
<b>Provision for employee benefits</b>	<b>0.08</b>	<b>0.33</b>
Provision for doubtful trade receivables / advances	(0.14)	(0.35)
Provision - others	5.47	5.47
Deferred revenue	-	0.06

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

	March 31, 2024	March 31, 2023
<b>Deferred tax liabilities (net)</b>		
Deferred rent	0.89	0.84
Other timing differences	(4.94)	2.91
<b>Deferred tax assets</b>	<b>1.36</b>	<b>9.26</b>
Property, plant and equipment	12.05	18.88
Prepaid expenses	-	(0.01)
Other Intangible assets	25.36	29.93
Undistributed profits of subsidiaries and joint venture	11.75	41.30
Deemed disposal of investment in joint venture	10.90	12.69
<b>Deferred tax liabilities</b>	<b>60.06</b>	<b>102.79</b>
<b>Net Deferred tax liabilities</b>	<b>58.70</b>	<b>93.53</b>
Property, plant and equipment	12.98	15.12
Provision for employee benefits	15.34	13.23
Provision against financial assets	33.51	32.06
Carried forward tax losses	43.65	21.08
Tax incentives	-	0.72
Deferred revenue	2.47	2.20
Right of use asset and liability	34.68	31.64
Others	14.79	12.87
<b>Deferred tax assets</b>	<b>157.42</b>	<b>128.92</b>
Property, plant and equipment	7.28	4.03
Prepaid expenses	-	0.62
<b>Deferred tax liabilities</b>	<b>7.28</b>	<b>4.65</b>
<b>Net Deferred tax assets</b>	<b>150.14</b>	<b>124.27</b>

#### b. Movement in deferred tax assets and liabilities

	Balance as at April 1, 2022	Recognised in Profit & Loss	Recognised in OCI	Currency translation adjustment	Total OCI	Balance as at March 31, 2023	Recognised in Profit & Loss	Recognised in Other comprehensive income	Currency translation adjustment	Total OCI	Balance as at March 31, 2024
<b>Deferred tax liabilities (net)</b>											
Provision for employee benefits	1.36	(1.13)	0.05	0.05	0.10	0.33	(0.11)	(0.14)	-	(0.14)	0.08
Provision for doubtful trade receivables / advances	0.62	(0.72)	-	(0.25)	(0.25)	(0.35)	0.19	-	0.02	0.02	(0.14)
Provision others	5.47	-	-	-	-	5.47	-	-	-	-	5.47
Deferred revenue	0.06	-	-	-	-	0.06	-	-	(0.06)	(0.06)	-
Deferred rent	0.81	0.03	-	-	-	0.84	0.05	-	-	-	0.89
Other timing differences	1.49	1.62	-	(0.20)	(0.20)	2.91	(7.77)	-	(0.08)	(0.08)	(4.94)
<b>Deferred tax assets</b>	<b>9.81</b>	<b>(0.20)</b>	<b>0.05</b>	<b>(0.40)</b>	<b>(0.35)</b>	<b>9.26</b>	<b>(7.64)</b>	<b>(0.14)</b>	<b>(0.12)</b>	<b>(0.26)</b>	<b>1.36</b>
Property, plant and equipment	5.02	12.61	-	1.25	1.25	18.88	(6.79)	-	(0.04)	(0.04)	12.05
Prepaid expenses	(0.01)	-	-	-	-	(0.01)	0.01	-	-	-	-



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For the year ended March 31, 2024

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	Balance as at April 1, 2022	Recognised in Profit & Loss	Recognised in OCI	Currency translation adjustment	Total OCI	Balance as at March 31, 2023	Recognised in Profit & Loss	Recognised in Other comprehensive income	Currency translation adjustment	Total OCI	Balance as at March 31, 2024
Other Intangible assets	56.54	(27.75)	-	1.14	1.14	29.93	(4.55)	-	(0.02)	(0.02)	25.36
Undistributed profits of subsidiaries and joint venture	93.50	(52.36)	-	0.16	0.16	41.30	(30.43)	-	0.88	0.88	11.75
Deemed disposal of investment in joint venture	12.69	-	-	-	-	12.69	(1.79)	-	-	-	10.90
Deferred tax liabilities	167.74	(67.50)	-	2.55	2.55	102.79	(43.55)	-	0.82	0.82	60.06
<b>Net Deferred tax liabilities</b>	<b>157.93</b>	<b>(67.30)</b>	<b>(0.05)</b>	<b>2.95</b>	<b>2.90</b>	<b>93.53</b>	<b>(35.91)</b>	<b>0.14</b>	<b>0.94</b>	<b>1.08</b>	<b>58.70</b>
Deferred tax assets (net)											
Property, plant and equipment	18.61	(3.73)	-	0.24	0.24	15.12	(1.91)	-	(0.23)	(0.23)	12.98
Provision for employee benefits	19.52	(7.33)	1.05	(0.01)	1.04	13.23	1.42	0.74	(0.05)	0.69	15.34
Provision against financial assets	34.74	(2.62)	-	(0.06)	(0.06)	32.06	1.38	-	0.07	0.07	33.51
Carried forward tax losses*	8.27	10.84	-	1.97	1.97	21.08	21.60	-	0.97	0.97	43.65
Tax incentives	0.20	0.49	-	0.03	0.03	0.72	(0.83)	-	0.11	0.11	-
Deferred revenue	2.20	-	-	-	-	2.20	0.27	-	-	-	2.47
Right of use asset and liability	44.52	(14.41)	-	1.53	1.53	31.64	2.28	-	0.76	0.76	34.68
Others	15.28	(2.58)	-	0.17	0.17	12.87	1.60	-	0.32	0.32	14.79
Deferred tax assets	143.34	(19.34)	1.05	3.87	4.92	128.92	25.81	0.74	1.95	2.69	157.42
Property, plant and equipment	7.85	(4.33)	-	0.51	0.51	4.03	3.14	-	0.11	0.11	7.28
Prepaid expenses	(0.11)	0.71	-	0.02	0.02	0.62	(0.58)	-	(0.04)	(0.04)	-
Deferred tax liabilities	7.74	(3.62)	-	0.53	0.53	4.65	2.56	-	0.07	0.07	7.28
<b>Net Deferred tax assets</b>	<b>135.60</b>	<b>(15.72)</b>	<b>1.05</b>	<b>3.34</b>	<b>4.39</b>	<b>124.27</b>	<b>23.25</b>	<b>0.74</b>	<b>1.88</b>	<b>2.62</b>	<b>150.14</b>
<b>Net amount recognised in statement of profit and loss / other comprehensive income</b>		<b>(51.58)</b>	<b>(1.10)</b>		<b>(1.49)</b>		<b>(59.16)</b>	<b>(0.60)</b>		<b>(1.54)</b>	

\*The Group carries deferred taxes aggregating to ₹ 43.65 crores (March 31, 2023: ₹ 21.08 crores) (from various jurisdictions) on the carry forward or unused losses and deductible temporary differences based on the future projections

## Notes to Consolidated Financial Statements

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### 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 therefrom:

Particulars	March 31, 2024		March 31, 2023	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Deductible temporary differences	104.97	18.36	28.29	4.81
Tax losses (including capital loss)	551.57	111.44	719.75	144.89
	<b>656.54</b>	<b>129.80</b>	<b>748.04</b>	<b>149.70</b>

### F. Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

Deferred tax assets (net)	March 31, 2024	March 31, 2023
Expiry within 5 years	35.27	35.48
Expiry within 5-10 years	94.85	172.87
Never expire	421.45	511.40
	<b>551.57</b>	<b>719.75</b>

### 15A Property, plant and equipment

#### a Reconciliation of carrying amount

	Land	Building	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Leasehold improvements	Total
<b>Gross carrying amount</b>									
<b>Balance at April 1, 2022</b>	20.87	33.92	235.30	177.54	31.81	23.24	173.04	75.14	770.86
Other additions (refer note (i) below)	-	0.32	10.29	40.89	6.33	8.69	24.62	5.87	97.01
Disposals	-	-	(41.45)	(6.65)	(20.62)	(0.31)	(4.60)	(6.57)	(80.20)
Exchange differences on translation of foreign operations	-	0.15	13.14	3.61	0.35	0.15	5.75	4.12	27.27
<b>Balance at March 31, 2023</b>	<b>20.87</b>	<b>34.39</b>	<b>217.28</b>	<b>215.39</b>	<b>17.87</b>	<b>31.77</b>	<b>198.81</b>	<b>78.56</b>	<b>814.94</b>
<b>Balance at April 1, 2023</b>	20.87	34.39	217.28	215.39	17.87	31.77	198.81	78.56	814.94
Other additions (refer note (i) below)	-	-	19.78	39.39	5.08	8.21	26.25	17.66	116.37
Reclassifications	-	-	-	(12.84)	-	-	9.15	-	(3.69)
Disposal on sale of subsidiary (refer note 45 & 48(ii))	-	-	-	(0.67)	(17.91)	-	(5.41)	(11.05)	(35.04)
Disposals	-	-	(67.89)	(3.79)	(4.02)	(1.36)	(4.35)	(0.86)	(82.27)
Exchange differences on translation of foreign operations	-	0.21	0.48	1.14	(0.11)	0.02	4.00	0.57	6.31
<b>Balance at March 31, 2024</b>	<b>20.87</b>	<b>34.60</b>	<b>169.65</b>	<b>238.62</b>	<b>0.91</b>	<b>38.64</b>	<b>228.45</b>	<b>84.88</b>	<b>816.62</b>

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

	Land	Building	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Leasehold improvements	Total
<b>Accumulated depreciation</b>									
<b>Balance at April 1, 2022</b>	-	6.16	168.70	55.55	22.43	10.48	137.63	42.86	443.81
Depreciation for the year	-	0.79	34.64	28.21	4.74	4.86	17.16	6.60	97.00
Disposals	-	-	(40.64)	(6.32)	(15.58)	(0.22)	(3.92)	(5.41)	(72.09)
Exchange differences on translation of foreign operations	-	0.08	10.57	1.59	0.22	0.08	4.96	3.10	20.60
<b>Balance at March 31, 2023</b>	-	<b>7.03</b>	<b>173.27</b>	<b>79.03</b>	<b>11.81</b>	<b>15.20</b>	<b>155.83</b>	<b>47.15</b>	<b>489.32</b>
<b>Balance at April 1, 2023</b>	-	7.03	173.27	79.03	11.81	15.20	155.83	47.15	489.32
Depreciation for the year (refer note (ii) below, 45 & 48(ii))	-	0.80	23.73	29.58	4.40	6.14	20.92	6.59	92.16
Disposal on sale of subsidiary (refer note 45 & 48(ii))	-	-	-	(0.19)	(15.53)	-	(5.29)	(7.62)	(28.63)
Reclassifications	-	-	-	(10.98)	-	-	9.15	-	(1.83)
Disposals	-	-	(63.12)	(4.69)	(2.59)	(0.91)	(3.95)	(0.77)	(76.03)
Exchange differences on translation of foreign operations	-	0.12	0.57	(0.90)	0.04	0.01	3.82	(0.01)	3.65
<b>Balance at March 31, 2024</b>	-	<b>7.95</b>	<b>134.45</b>	<b>91.85</b>	<b>(1.87)</b>	<b>20.44</b>	<b>180.48</b>	<b>45.34</b>	<b>478.64</b>
<b>Carrying amounts (net)</b>									
<b>As at March 31, 2023</b>	<b>20.87</b>	<b>27.36</b>	<b>44.01</b>	<b>136.36</b>	<b>6.06</b>	<b>16.57</b>	<b>42.98</b>	<b>31.41</b>	<b>325.62</b>
<b>As at March 31, 2024</b>	<b>20.87</b>	<b>26.65</b>	<b>35.20</b>	<b>146.77</b>	<b>2.78</b>	<b>18.20</b>	<b>47.97</b>	<b>39.54</b>	<b>337.98</b>

Note:

- i) Includes assets given on finance lease with written down value of ₹ 0.05 crores (March 31, 2023: ₹ 1.68 crores) acquired back from the customer
- ii) Depreciation includes depreciation from continuing operations of ₹ 89.81 crores (March 31, 2023: ₹ 92.45 crores) and depreciation from discontinued operations of ₹ 2.35 crores (March 31, 2023: ₹ 4.55 crores)

### b Security

For details of property, plant and equipment pledged as security against borrowings, refer note 30.

## 15B Capital work-in-progress & Intangible assets under development

### a Ageing of capital work-in-progress & intangible assets under development

As at March 31, 2024

	< 1 year	1 to 2 years	2 to 3 years	> 3 years	Total
Projects in progress					
Capital work-in-progress	2.57	0.22	0.07		2.86
Intangible assets under development*	8.09	0.95	-	-	9.04

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As at March 31, 2023

	< 1 year	1 to 2 years	2 to 3 years	> 3 years	Total
Projects in progress					
Capital work-in-progress	13.78	-	-	-	13.78
Intangible assets under development*	21.66	-	-	-	21.66

\* Intangible assets under development represents expenditure incurred towards development of software that will be used as part of the groups operations

### b Expected completion schedule for capital-work-in progress & intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

There are no overdue/temporarily suspended contracts/projects as at March 31, 2024 and March 31, 2023

### c Movement of capital work-in-progress & intangible assets under development

Reconciliation of carrying amount	Capital work-in-progress	Intangible asset under development
<b>Balance at April 1, 2022</b>	<b>3.35</b>	<b>8.31</b>
Additions	70.00	28.85
Transferred to Property, plant and equipment / Other intangible assets	(59.80)	(16.48)
Exchange differences on translation of foreign operations	0.23	0.98
<b>Balance at March 31, 2023</b>	<b>13.78</b>	<b>21.66</b>
Balance at April 1, 2023	13.78	21.66
Additions	56.67	19.17
Transferred to Property, plant and equipment / Other intangible assets	(67.96)	(32.70)
Exchange differences on translation of foreign operations	0.37	0.91
<b>Balance at March 31, 2024</b>	<b>2.86</b>	<b>9.04</b>

## 16AGoodwill & Intangible assets

### a Reconciliation of carrying amount

	Goodwill #	Patents and trademarks	Customer relationship & Others	Brand	Computer software	Total (excluding goodwill)
<b>Gross carrying amount</b>						
<b>Balance at April 1, 2022</b>	599.63	0.06	311.34	51.53	113.50	476.43
Other additions	-	-	-	-	22.44	22.44
Disposals	-	-	-	-	(0.30)	(0.30)
Exchange differences on translation of foreign operations	21.43	-	17.43	0.97	4.09	22.49
<b>Balance at March 31, 2023</b>	<b>621.06</b>	<b>0.06</b>	<b>328.77</b>	<b>52.50</b>	<b>139.73</b>	<b>521.06</b>
<b>Balance at April 1, 2023</b>	621.06	0.06	328.77	52.50	139.73	521.06
Other additions	-	-	-	-	35.74	35.74
Reclassification and reversals	-	-	-	-	3.69	3.69
Disposals	-	-	-	-	(0.18)	(0.18)
Exchange differences on translation of foreign operations	1.62	-	2.59	0.47	1.40	4.46
<b>Balance at March 31, 2024</b>	<b>622.68</b>	<b>0.06</b>	<b>331.36</b>	<b>52.97</b>	<b>180.38</b>	<b>564.77</b>



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	Goodwill #	Patents and trademarks	Customer relationship & Others	Brand	Computer software	Total (excluding goodwill)
<b>Accumulated amortisation &amp; impairment</b>						
Balance at April 1, 2022	12.64	-	135.23	12.01	64.34	211.58
Amortisation for the year	-	-	30.57	1.19	15.32	47.08
Disposals	-	-	-	-	(0.30)	(0.30)
Exchange differences on translation of foreign operations	-	-	11.17	0.18	3.23	14.58
<b>Balance at March 31, 2023</b>	<b>12.64</b>	<b>-</b>	<b>176.97</b>	<b>13.38</b>	<b>82.59</b>	<b>272.94</b>
<b>Balance at April 1, 2023</b>	<b>12.64</b>	<b>-</b>	<b>176.97</b>	<b>13.38</b>	<b>82.59</b>	<b>272.94</b>
Impairment on sale of subsidiary (refer note 45 & 48(ii))	21.57	-	-	-	-	-
Amortisation for the year	-	-	32.56	1.28	18.02	51.86
Reclassification and reversals	-	-	-	-	1.83	1.83
Disposals	-	-	-	-	(0.18)	(0.18)
Exchange differences on translation of foreign operations	-	-	0.35	0.24	0.23	0.82
<b>Balance at March 31, 2024</b>	<b>34.21</b>	<b>-</b>	<b>209.88</b>	<b>14.90</b>	<b>102.49</b>	<b>327.27</b>
<b>Carrying amounts (net)</b>						
Balance at March 31, 2023	608.42	0.06	151.80	39.12	57.14	248.12
Balance at March 31, 2024	588.47	0.06	121.48	38.07	77.89	237.50

# The Group has performed impairment tests of goodwill at the end of the year March 2024 and March 2023. For the purpose of impairment testing, goodwill is allocated to the cash generating units which are expected to benefit from the synergies of the corresponding business combinations. The goodwill impairment 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.

Key assumptions used for calculating the value in use:	SCS India Group	GFS	IFM	SCS North America	SCS Europe
Carrying amount of goodwill as at March 31, 2024	211.36	220.88	83.32	60.50	12.41
Carrying amount of goodwill as at March 31, 2023	211.36	223.95	101.76	59.29	12.06
Basis of recoverable amount	Value in use	Value in use	Value in use	Value in use	Value in use
Pre-tax discount rate March 31, 2024	11.70%	10.00%	10.80%	8.40%	10.40%
Pre-tax discount rate March 31, 2023	14.00%	10.00%	12.00%	6.90%	12.00%
Projection period	5 Years	5 Years	5 Years	5 Years	5 Years
Terminal growth rate March 31, 2024	5.00%	3.40%	2.00%	1.00%	1.00%
Terminal growth rate March 31, 2023	3.00%	3.40%	1.50%	1.00%	1.50%

Key assumptions have not changed significantly compared to the previous year with the exception of discount rates used. For March 2024 and March 2023, the recoverable amounts exceeded their carrying amounts and consequently no impairment of goodwill was recognised for the years March 2024 and March 2023.

Management believes that it is not likely for the assumptions used to change so significantly, as to eliminate the excess of recoverable amounts.

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### 16B Right of use assets

a The leases primarily consists leasing of warehouses, office premises & material handling equipments with the 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	Furniture and fixtures	Office equipment	Vehicles	Total
<b>Net carrying amount</b>						
Balance at April 1, 2022	911.68	42.99	0.17	1.29	6.36	962.49
Additions	520.59	3.68	-	-	5.25	529.52
Reversals (less)	(23.12)	-	-	(0.03)	(0.02)	(23.17)
Depreciation (less) (refer note (i) below)	(357.49)	(16.30)	(0.04)	(0.83)	(4.92)	(379.58)
Exchange differences on translation of foreign operations	23.05	0.78	-	0.06	0.48	24.37
<b>Balance at March 31, 2023</b>	<b>1,074.71</b>	<b>31.15</b>	<b>0.13</b>	<b>0.49</b>	<b>7.15</b>	<b>1,113.63</b>
<b>Balance at April 1, 2023</b>	<b>1,074.71</b>	<b>31.15</b>	<b>0.13</b>	<b>0.49</b>	<b>7.15</b>	<b>1,113.63</b>
Additions	537.40	8.71	-	3.28	5.67	555.06
Reversals (less)	(23.12)	-	-	-	-	(23.12)
Depreciation (less) (refer note (i) below)	(408.05)	(8.86)	(0.04)	(0.88)	(4.84)	(422.67)
Reversal on sale of subsidiary (refer note 45 & 48(ii))	(39.13)	(9.49)	-	-	(0.02)	(48.64)
Exchange differences on translation of foreign operations	10.33	0.24	-	0.01	0.92	11.50
<b>Balance at March 31, 2024</b>	<b>1,152.14</b>	<b>21.75</b>	<b>0.09</b>	<b>2.90</b>	<b>8.88</b>	<b>1,185.76</b>

### c Set out below are the carrying amounts of lease liabilities and the movement during the year

	March 31, 2024	March 31, 2023
<b>Balance at the beginning of the year</b>	<b>1,334.37</b>	<b>1,190.28</b>
Additions	546.10	520.16
Accretion of interest (refer note (ii) below)	87.25	83.80
Payments (refer note (iii) below)	(486.88)	(452.63)
Reversals	(24.54)	(26.84)
Reversal on sale of subsidiary (refer note 45 & 48(ii))	(69.46)	-
Exchange differences on translation of foreign operations	18.24	19.60
<b>Balance at the end of the year</b>	<b>1,405.08</b>	<b>1,334.37</b>
Current	423.79	410.04
Non-current	981.29	924.33
Cash outflows for leases	486.88	452.63

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### d The following are recognised in the statement of profit and loss

	March 31, 2024	March 31, 2023
Depreciation expenses of right of use assets (refer note (i) below)	422.67	379.58
Interest expenses on lease liabilities (refer note (ii) below)	87.25	83.80
Gain on termination of lease contracts	(2.89)	(3.67)
Expenses relating to short term leases and leases of low value assets (refer note (iv) below)	128.57	105.25
<b>Total amount recognised in profit or loss</b>	<b>635.60</b>	<b>564.96</b>

Note:

- Depreciation includes depreciation from continuing operations of ₹ 415.05 crores (March 31, 2023: ₹ 362.02 crores) and from discontinued operations of ₹ 7.62 crores (March 31, 2023: ₹ 17.56 crores)
- Interest expenses on lease liabilities includes interest expenses on lease liabilities from continuing operations of ₹ 85.08 crores (March 31, 2023: ₹ 78.99 crores) and from discontinued operations of ₹ 2.17 crores (March 31, 2023: ₹ 4.81 crores)
- Payments include payments relating to continuing operations of ₹ 477.72 crores (March 31, 2023: ₹ 447.36 crores) and from discontinued operations of ₹ 9.16 crores (March 31, 2023: ₹ 5.27 crores)
- Expenses relating to short term leases and leases of low value assets includes Expenses relating to short term leases and leases of low value assets from continuing operations of ₹ 110.95 crores (March 31, 2023: ₹ 85.55 crores) and from discontinued operations of ₹ 17.62 crores (March 31, 2023: ₹ 19.70 crores)

### 17 Investments accounted for using the equity method

The Group's interest in equity accounted investees comprises of the following

	Note	March 31, 2024	March 31, 2023
Interest in joint venture (refer note 48(iii))	A	93.09	104.80
		<b>93.09</b>	<b>104.80</b>

The Group's share of profit / (loss) in equity accounted investees are as follows

	Note	Year ended March 31, 2024	Year ended March 31, 2023
Share of profit / (loss) in joint venture	A	4.29	4.77
		<b>4.29</b>	<b>4.77</b>

#### A. Joint venture

The financial information of the joint venture and the carrying amount of the Group's interest in joint venture is as follows:

	March 31, 2024	March 31, 2023
	<b>25.2%*</b>	29.7% *
Non-current assets	1,718.85	1,167.30
Current assets	182.17	311.09
Non-current liabilities	(1,419.89)	(984.82)
Current liabilities	(101.99)	(151.08)
Net assets	<b>379.14</b>	<b>342.49</b>
<b>Group's share of net assets</b>	<b>95.54</b>	<b>101.77</b>
Add: Goodwill	0.85	0.85
<b>Carrying amount of interest in joint venture (refer note below)</b>	<b>96.39</b>	<b>102.62</b>

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

	March 31, 2024	March 31, 2023
Revenue	176.10	150.01
Interest income	8.08	3.53
Interest expense	82.78	58.83
Depreciation and amortisation expense	40.48	32.69
Tax expense	6.08	4.27
Profit	17.03	16.05
Other comprehensive income	0.01	0.03
<b>Total comprehensive income</b>	<b>17.04</b>	<b>16.07</b>
Group's share of Profit	4.29	4.77
Group's share of OCI	-	0.01
<b>Group's share of total comprehensive income</b>	<b>4.29</b>	<b>4.78</b>

\* Share of net assets/profit computed based on diluted basis

Note - Certain adjustments in the reserves of the joint venture have not been considered in the consolidated financial statements of the Group in line with Ind AS 28

### 18 A. Non-controlling interests

	March 31, 2024	March 31, 2023
White Data Systems India Private Limited	-	16.84
TVS Toyota Tsusho Supply Chain Solutions Limited	16.64	14.15
TVS Autoserv GmbH	13.06	11.65
Circle Express Limited	-	(6.18)
	<b>29.70</b>	<b>36.46</b>

### B. Profit attributable to non-controlling interests

	Year ended March 31, 2024	Year ended March 31, 2023
TVS SCS Global Freight Solutions Limited	-	1.23
White Data Systems India Private Limited	-	(2.96)
TVS Toyota Tsusho Supply Chain Solutions Limited	2.49	2.59
TVS Autoserv GmbH	1.19	2.09
Circle Express Limited	7.04	(1.00)
	<b>10.72</b>	<b>1.95</b>

### C. Other comprehensive income attributable to non-controlling interests

	Year ended March 31, 2024	Year ended March 31, 2023
TVS SCS Global Freight Solutions Limited	-	(0.01)
TVS Toyota Tsusho Supply Chain Solutions Limited	(0.01)	0.02
TVS Autoserv GmbH	0.09	0.74
Circle Express Limited	0.52	(0.39)
	<b>0.60</b>	<b>0.36</b>

Note - For country of incorporation, refer note no. 46.



## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

The following table summarises the information relating to each of the Group's subsidiaries that has material NCI, before any intra-group eliminations:

### March 31, 2024

	TVS Toyota Tsusho Supply Chain Solutions Limited	TVS Autoserv GmbH, Germany
<b>NCI %</b>	<b>40.00%</b>	<b>49.00%</b>
Non-current assets	32.74	18.94
Current assets	38.14	48.48
Non-current liabilities	(16.83)	(12.25)
Current liabilities	(12.47)	(28.52)
<b>Net assets</b>	<b>41.58</b>	<b>26.65</b>
<b>Net assets attributable to NCI</b>	<b>16.64</b>	<b>13.06</b>
Revenue	51.38	105.68
Profit	6.25	2.42
Other comprehensive income	(0.03)	-
<b>Total comprehensive income</b>	<b>6.22</b>	<b>2.42</b>
Profit allocated to NCI	2.49	1.19
OCI allocated to NCI	(0.01)	-
Exchange differences on translation of foreign operations	-	0.09
<b>Total comprehensive income allocated to NCI</b>	<b>2.48</b>	<b>1.28</b>
<b>Summarised cash flow information</b>		
Net cash flows from operating activities	11.09	7.50
Net cash flows from investing activities	(1.52)	(2.75)
Net cash flows from financing activities	(8.22)	(4.31)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1.35</b>	<b>0.44</b>

### March 31, 2023

	White Data Systems India Private Limited	TVS Toyota Tsusho Supply Chain Solutions Limited	TVS Autoserv GmbH, Germany	Circle Express Limited
<b>NCI %</b>	<b>49.00%</b>	<b>40.00%</b>	<b>49.00%</b>	<b>5.00%</b>
Non-current assets	34.15	36.85	16.29	63.67
Current assets	6.98	32.34	51.87	104.19
Non-current liabilities	(3.44)	(17.52)	(12.39)	(50.19)
Current liabilities	(3.32)	(16.28)	(32.00)	(241.30)
<b>Net assets</b>	<b>34.37</b>	<b>35.39</b>	<b>23.77</b>	<b>(123.63)</b>
<b>Net assets attributable to NCI</b>	<b>16.84</b>	<b>14.15</b>	<b>11.65</b>	<b>(6.18)</b>
Revenue	4.67	50.21	100.97	262.66
Profit	(6.04)	6.48	4.27	(20.08)
Other comprehensive income	-	0.05	0.83	-
<b>Total comprehensive income</b>	<b>(6.04)</b>	<b>6.53</b>	<b>5.10</b>	<b>(20.08)</b>

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

	White Data Systems India Private Limited	TVS Toyota Tsusho Supply Chain Solutions Limited	TVS Autoserv GmbH, Germany	Circle Express Limited
Profit allocated to NCI	(2.96)	2.59	2.09	(1.00)
OCI allocated to NCI	-	0.02	0.41	-
Exchange differences on translation of foreign operations	-	-	0.33	(0.39)
<b>Total comprehensive income allocated to NCI</b>	<b>(2.96)</b>	<b>2.61</b>	<b>2.83</b>	<b>(1.39)</b>
<b>Summarised cash flow information</b>				
Net cash flows from operating activities	(1.34)	15.65	4.51	(11.17)
Net cash flows from investing activities	4.31	(8.61)	(1.81)	3.61
Net cash flows from financing activities	(3.16)	(6.83)	(3.83)	(5.27)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(0.19)</b>	<b>0.21</b>	<b>(1.13)</b>	<b>(12.83)</b>

### 19 Investments

	March 31, 2024	March 31, 2023
<b>A. Non-current investments</b>		
<b>Unquoted investment in body corporate at fair value through Profit &amp; Loss</b>		
TN Apex Skill Development Centre For Logistics	0.20	0.20
2,00,000 (March 31, 2023: 2,00,000) equity shares of ₹ 10 each		
Montara Verpacken mit System GmbH	1.61	1.61
21,004 (March 31, 2023: 21,004) equity shares of euro 1 each		
<b>Provision for Impairment in value of Investments</b>		
Montara Verpacken mit System GmbH	(1.61)	(1.61)
	<b>0.20</b>	<b>0.20</b>
<b>Unquoted investment in preference shares carried at amortised cost</b>		
Cargowings Logistics Limited	25.00	25.00
2,50,00,000 (March 31, 2023: 2,50,00,000) redeemable preference shares ("RPS") of ₹ 10 each fully paid up		
	<b>25.00</b>	<b>25.00</b>
<b>Provision for Impairment in value of Investments</b>		
<b>Unquoted investments in preference shares</b>		
Cargowings Logistics Limited	(25.00)	(25.00)
	<b>(25.00)</b>	<b>(25.00)</b>
<b>Total non-current investments</b>	<b>0.20</b>	6 0.20
Aggregate amount of unquoted investments	25.20	25.20
Aggregate amount of impairment in the value of investments	25.00	25.00

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### 20 Deposits and other receivables

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Security deposits</b>				
Unsecured, considered good	51.32	64.69	78.60	75.58
Unsecured, credit impaired	-	-	1.13	1.13
Provision for credit impaired security deposits	-	-	(1.13)	(1.13)
	<b>51.32</b>	<b>64.69</b>	<b>78.60</b>	<b>75.58</b>
<b>Security deposit to related parties</b>				
Unsecured, considered good	7.19	6.56	-	-
	<b>7.19</b>	<b>6.56</b>	<b>-</b>	<b>-</b>
<b>Other receivables</b>				
Loans and advances to employees	-	-	6.22	6.56
Finance lease receivables (refer note 15A)	3.79	7.46	3.44	4.09
Receivable from others				
Unsecured, considered good	-	-	13.26	6.08
Unsecured, credit impaired	10.06	-	-	7.81
Provision for credit impaired receivables	(10.06)	-	-	(7.81)
	<b>3.79</b>	<b>7.46</b>	<b>22.92</b>	<b>16.73</b>
	<b>62.30</b>	<b>78.71</b>	<b>101.52</b>	<b>92.31</b>

### 21 Other financial assets

	Current	
	March 31, 2024	March 31, 2023
<b>Advances recoverable in cash or kind</b>		
Unsecured considered good	7.26	1.63
	<b>7.26</b>	<b>1.63</b>
Others	1.58	2.17
	<b>8.84</b>	<b>3.80</b>

### 22 Other non current assets

	March 31, 2024	March 31, 2023
Prepaid expenses	0.25	0.04
<b>Advance for supply of goods and services</b>		
Unsecured, considered good	-	0.08
	<b>-</b>	<b>0.08</b>
<b>Capital advances</b>		
Unsecured, considered good	2.02	5.79
	<b>2.02</b>	<b>5.79</b>
	<b>2.27</b>	<b>5.91</b>

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### 23 Inventories

	March 31, 2024	March 31, 2023
(valued at lower of cost or net realisable value)		
Packing materials (In transit of Nil (March 31, 2023: ₹1.95 Crores))	3.37	3.59
Stock-in-trade (In transit of ₹17.07 Crores (March 31, 2023: ₹11.88 Crores))	380.56	338.40
Stores and spares (In transit of Nil (March 31, 2023: Nil))	2.64	3.07
	<b>386.57</b>	<b>345.06</b>

### 24 Trade receivables

	March 31, 2024	March 31, 2023
<b>Gross trade receivables</b>		
Unsecured, considered good	1,409.23	1,234.25
Unsecured, credit impaired	135.92	147.37
	<b>1,545.15</b>	<b>1,381.62</b>
<b>Loss allowance</b>		
Unsecured, considered good	-	-
Unsecured, credit impaired	(135.92)	(147.37)
	<b>(135.92)</b>	<b>(147.37)</b>
<b>Net trade receivables</b>	<b>1,409.23</b>	<b>1,234.25</b>
Non-current	6.04	6.04
Current	1,403.19	1,228.21

Ageing of trade receivable from the due date of payment:

#### Non-Current

#### March 31, 2024

	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
<b>Unsecured, considered good</b>							
Undisputed	6.04	-	-	-	-	-	6.04
	<b>6.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.04</b>

#### March 31, 2023

	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
<b>Unsecured, considered good</b>							
Undisputed	6.04	-	-	-	-	-	6.04
	<b>6.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.04</b>



## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### Current

#### March 31, 2024

	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
<b>Unsecured, considered good</b>							
Undisputed	947.03	312.68	115.70	5.94	0.50	21.34	1,403.19
	<b>947.03</b>	<b>312.68</b>	<b>115.70</b>	<b>5.94</b>	<b>0.50</b>	<b>21.34</b>	<b>1,403.19</b>
<b>Unsecured, credit impaired</b>							
Undisputed	9.71	10.66	8.63	27.80	28.83	48.16	133.79
Disputed	-	-	0.77	0.48	0.17	0.71	2.13
	9.71	10.66	9.40	28.28	29.00	48.87	135.92
	<b>956.74</b>	<b>323.34</b>	<b>125.10</b>	<b>34.22</b>	<b>29.50</b>	<b>70.21</b>	<b>1,539.11</b>

#### March 31, 2023

	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
<b>Unsecured, considered good</b>							
Undisputed	810.56	363.16	41.19	3.55	0.29	9.46	1,228.21
	<b>810.56</b>	<b>363.16</b>	<b>41.19</b>	<b>3.55</b>	<b>0.29</b>	<b>9.46</b>	<b>1,228.21</b>
<b>Unsecured, credit impaired</b>							
Undisputed	1.68	10.43	14.29	70.09	21.01	19.98	137.48
Disputed	-	-	0.75	0.29	0.02	8.83	9.89
	1.68	10.43	15.04	70.38	21.03	28.81	147.37
	<b>812.24</b>	<b>373.59</b>	<b>56.23</b>	<b>73.93</b>	<b>21.32</b>	<b>38.27</b>	<b>1,375.58</b>

Note - No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Trade receivables including receivables from related parties are non-interest bearing and are generally on terms of 30 to 90 days. Refer Note 42 for disclosure on related parties. Information about Group's exposure to market risks and credit risks is included in note 43.

#### 24A Transferred financial assets that are derecognised in their entirety and with continuing involvement

The Group has 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.

Particulars	March 31, 2024	March 31, 2023
Carrying amount of transferred receivables	251.83	527.06
Carrying amount of exposures retained by the Company	-	-

The amounts collected on behalf of the factor has been disclosed under other financial liabilities.

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For the year ended March 31, 2024

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

### 25 Cash and cash equivalents

	March 31, 2024	March 31, 2023
Cash on hand	0.45	0.46
	<b>0.45</b>	<b>0.46</b>
<b>Balance with banks</b>		
On current accounts	498.07	1,074.85
Deposits with original maturity of less than three months	10.84	10.48
	<b>508.91</b>	<b>1,085.33</b>
	<b>509.36</b>	<b>1,085.79</b>

The Group has ₹ 1,058.79 crores of undrawn committed borrowings facilities as at March 31, 2024 (March 31, 2023: ₹ 1,165.83 crores).

### 26 Other bank balances

	March 31, 2024	March 31, 2023
Deposits with original maturity of more than 3 months	87.52	94.26
	<b>87.52</b>	<b>94.26</b>
<b>Current</b>	87.47	86.31
<b>Non-Current</b>	0.05	7.94

### 27 Loans

	Current	
	March 31, 2024	March 31, 2023
<b>Loan to others</b>		
Unsecured, considered doubtful	10.05	10.05
Provision for doubtful loans	(10.05)	(10.05)
	<b>-</b>	<b>-</b>

Note: There are no loans or advances in the nature of loans granted to Promoters, Directors, Key managerial person or other related parties.

### 28 Other current assets

	March 31, 2024	March 31, 2023
<b>Advance related to supply of goods and services to parties other than related parties</b>		
Unsecured, considered good	15.90	30.70
Unsecured, considered doubtful	15.78	15.78
Provision for doubtful receivables	(15.78)	(15.78)
	<b>15.90</b>	<b>30.70</b>
<b>Advance related to supply of goods and services to related parties</b>		
Unsecured, considered good	-	4.58
	<b>-</b>	<b>4.58</b>
<b>Balances with statutory authorities</b>		
Unsecured, considered good	43.89	54.81
	<b>43.89</b>	<b>54.81</b>
Unbilled revenue	466.74	375.66

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For the year ended March 31, 2024

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

	March 31, 2024	March 31, 2023
<b>Other current assets</b>		
Prepaid expenses	64.36	103.27
Others	0.05	0.05
	<b>590.94</b>	<b>569.07</b>

### 29A Share capital

	March 31, 2024	March 31, 2023
<b>Authorised share capital</b>		
58,26,00,000 (March 31, 2023: 58,26,00,000) equity shares of ₹ 1 each	58.26	58.26
12,00,000 (March 31, 2023: 12,00,000) preference shares of ₹ 10 each #	1.20	1.20
31,54,000 (March 31, 2023: 31,54,000) preference shares of ₹ 100 each	31.54	31.54
3,00,00,000 (March 31, 2023: 3,00,00,000) preference shares of ₹ 1 each	3.00	3.00
	<b>94.00</b>	<b>94.00</b>
<b>Issued</b>		
Equity shares		
13,81,04,010 (March 31, 2023: 13,81,04,010) equity shares of ₹ 1 each at par	13.81	13.81
5,06,68,000 (March 31, 2023: 5,06,68,000) equity shares of ₹ 1 each at a premium of ₹ 18.57	5.07	5.07
3,22,31,940 (March 31, 2023: 3,22,31,940) equity shares of ₹ 1 each at a premium of ₹ 18.50	3.22	3.22
27,58,000 (March 31, 2023: 27,58,000) equity shares of ₹ 1 each at a premium of ₹ 6.50	0.28	0.28
4,45,68,160 (March 31, 2023: 4,45,68,160) equity shares of ₹ 1 each at a premium of ₹ 42.49	4.46	4.46
1,79,86,070 (March 31, 2023: 1,79,86,070) equity shares of ₹ 1 each at a premium of ₹ 68.50	1.80	1.80
4,31,76,100 (March 31, 2023: 4,31,76,100) equity shares of ₹ 1 each at a premium of ₹ 143.75	4.32	4.32
19,00,000 (March 31, 2023: 19,00,000) equity shares of ₹ 1 each	0.19	0.19
14,33,820 (March 31, 2023: 14,33,820) equity shares of ₹ 1 each at a premium of ₹ 127.00	0.14	0.14
4,12,54,588 (March 31, 2023: 3,26,45,870) equity shares of ₹ 1 each at a premium of ₹ 94.00	4.13	3.27
40,10,695 (March 31, 2023: Nil) equity shares of ₹ 1 each at a premium of ₹ 186.00	0.40	-
3,31,93,725 (March 31, 2023: Nil) equity shares of ₹ 1 each at a premium of ₹ 166.55	3.32	-
3,04,56,852 (March 31, 2023: Nil) equity shares of ₹ 1 each at a premium of ₹ 196.00	3.04	-
<b>Total issued capital</b>	<b>44.18</b>	<b>36.56</b>
<b>Called, Subscribed and Paid up</b>		
Equity shares		
44,02,08,910 equity shares of ₹ 1 each (March 31, 2023: 36,39,38,920 equity shares of ₹ 1 each)	44.02	36.40
Add: Amount paid up on 16,00,000 equity shares of ₹ 1 each forfeited at ₹ 0.2 each (March 31, 2023: 16,00,000 equity shares of ₹ 1 each forfeited at ₹ 0.2 each)	0.03	0.03
	<b>44.05</b>	<b>36.43</b>

# 15,351 (March 31, 2023: 15,351) 0.0001% cumulative, redeemable, non-convertible, participating preference shares have been classified as a financial liability (see note 30).

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

	March 31, 2024		March 31, 2023	
	Nos	₹ in crores	Nos	₹ in crores
<b>Equity shares</b>	36,39,38,920	36.40	36,26,37,230	36.27
At the beginning of the year	7,62,69,990	7.62	13,01,690	0.13
Shares issued during the year				
<b>Outstanding at the end of the year</b>	<b>44,02,08,910</b>	<b>44.02</b>	<b>36,39,38,920</b>	<b>36.40</b>

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

#### b. Terms/rights attached to equity shares

The Company has one class of equity shares having face value of ₹ 1 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. Terms/rights attached to preference shares

The preference shares shall be cumulative, redeemable, non-convertible, participating preference shares ('preference shares'). The preference shares shall carry a preferential right to dividends over the equity Shares. The preference shares shall carry a fixed rate of preferential dividend at the rate of 0.0001% per annum. In addition to the fixed rate of dividend, the preference shareholders shall, at their discretion, be entitled to additional preferential dividend and carry a preferential right to dividends over the equity shares. The preference shares shall be redeemed, from time to time as may be required by the preference shareholders at face value plus the redemption premium payable thereon no later than 20 years from the date of allotment or longer period as may be prescribed by law.

The holder of preference shares have a right to vote only on resolutions placed before the company which directly affect the rights attached to preference shares and, any resolution for the winding up of the company or for the repayment or reduction of its equity or preference share capital and voting right on a poll shall be in proportion to the share in the paid-up preference share capital of the company. On winding up or repayment of capital, the preference shareholders shall carry a preferential right of repayment.

#### d. Details of shareholders holding more than 5% shares of a class of shares

	March 31, 2024		March 31, 2023	
	Number of shares	% holding	Number of shares	% holding
<b>Equity shares of ₹ 1 each (March 2023: ₹ 1 each), fully paid up</b>				
TVS Mobility Private Limited	10,72,73,430	24.37%	10,72,73,430	29.48%
T S Rajam Rubbers Private Limited	6,56,13,570	14.91%	6,56,13,570	18.03%
Exor Special Opportunities Master Fund	4,25,69,160	9.67%	4,25,69,160	11.70%
Mahogany Logistics Services Private Limited (Formerly known as 'DRSR Logistics Services Private Limited')	3,75,02,140	8.52%	3,75,02,140	10.30%
Mahogany Singapore Company Pte. Ltd	1,88,39,310	4.28%	1,88,39,310	5.18%
<b>0.0001% Cumulative, redeemable, non-convertible, participating preference shares of ₹ 10 each, fully paid up</b>				
Tata International Limited	7,677	50.01%	7,677	50.01%
Tata Industries Limited	7,674	49.99%	7,674	49.99%

#### e. Details of shareholding of promoters

	March 31, 2024			March 31, 2023		
	Number of shares	% holding	% Change during the year	Number of shares	% holding	% Change during the year
TVS Mobility Private Limited	10,72,73,430	24.37%	0.00%	10,72,73,430	29.48%	0.00%
T S Rajam Rubbers Private Limited	6,56,13,570	14.91%	0.00%	6,56,13,570	18.03%	0.00%
Ramachandhran Dinesh	72,12,620	1.64%	0.00%	72,12,620	1.98%	0.00%
Dhinrama Mobility Solution Private Limited	53,14,930	1.21%	0.00%	53,14,930	1.46%	0.00%



## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### 29B Other equity

#### Nature and purpose of reserves:

##### Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with Section 52 of the Companies Act, 2013.

##### Capital reserve

During earlier years, the Company reissued the shares forfeited and the profit on reissue of such forfeited shares were transferred to capital reserve.

##### Capital redemption reserve

The Company has redeemed preference shares issued to Tata International Limited and Tata Industries Limited, out of profits of the Company. A sum equivalent to the nominal amount of the shares redeemed has been transferred to capital redemption reserve in accordance with the provisions of the Companies Act, 2013.

##### Share based payment reserve

The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

##### Exchange differences on translating the financial statements of a foreign operation

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment in foreign operations are disposed off.

##### Effective portion of cash flow hedges

The Group uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Group uses foreign currency forward contracts, cross currency swaps, foreign currency option contracts and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the effective portion of cash flow hedges. Amounts recognised in the effective portion of cash flow hedges is reclassified to the statement of profit and loss when the hedged item affects profit or loss (e.g. interest payments).

### 29C Other items of OCI

#### Remeasurements of defined benefit liability/(asset)

	March 31, 2024	March 31, 2023
Opening balance	(1.90)	(0.20)
Re-measurement gains/ (losses) on defined benefit plans (net of taxes)	(1.79)	(1.70)
Closing balance	(3.69)	(1.90)

#### Re-measurement gains/ (losses) on defined benefit plans

Re-measurement gains/ (losses) on defined benefit plans comprises actuarial gains and losses on present value of defined benefit obligation and return on plan assets (excluding interest income).

### 29D Capital management

The Group'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.

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

The Group monitors capital using a ratio of 'debt' to 'equity'. For this purpose, debt is defined as total debt, comprising interest-bearing loans and borrowings and obligations under Lease liability. Equity comprises all components of equity. There were no changes to the measure of monitoring capital in the periods presented

The Group's debt to equity ratio is as follows:

	March 31, 2024	March 31, 2023
Total current and non-current borrowings	793.94	1,697.31
<b>Debt</b>	<b>793.94</b>	<b>1,697.31</b>
<b>Total equity</b>	<b>1,844.73</b>	<b>1,052.32</b>
<b>Debt to equity ratio</b>	<b>0.43</b>	<b>1.61</b>

### 29E Earnings/ (loss) 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

	March 31, 2024	March 31, 2023
Profit (loss) for the year, attributable to the equity holders from continuing operations	(68.44)	45.70
Profit (loss) for the year, attributable to the equity holders from discontinued operations	(32.77)	(5.89)

#### (ii) Weighted average number of equity shares

	March 31, 2024	March 31, 2023
Weighted average number of equity shares outstanding during the year	39,03,88,305	36,38,76,252
Add - Number of shares relating to compulsorily convertible preference shares	3,14,89,280	1,91,04,562
Weighted average number of equity shares used in the calculation of basic earnings per share	<b>42,18,77,585</b>	<b>38,29,80,814</b>
Adjustments for dilutive effect		
- Number of shares relating to Management Incentive Plan	61,24,778	76,57,931
Weighted average number of equity shares used in the calculation of diluted earnings per share	<b>42,80,02,363</b>	<b>39,06,38,745</b>

#### (iii) Earnings / (loss) per share (₹) for continuing operations

	March 31, 2024	March 31, 2023
Basic	(1.62)	1.19
Diluted	(1.62)	1.17

#### (iv) Earnings / (loss) per share (₹) for discontinued operations

	March 31, 2024	March 31, 2023
Basic	(0.78)	(0.15)
Diluted	(0.78)	(0.15)

#### (v) Earnings / (loss) per share (₹) for continuing and discontinued operations

	March 31, 2024	March 31, 2023
Basic	(2.40)	1.04
Diluted	(2.40)	1.02

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### 30 Borrowings

	March 31, 2024	March 31, 2023
<b>(a) Non-current borrowings</b>		
Secured term loans from banks	2.75	498.59
<b>Total non-current borrowings</b>	<b>2.75</b>	<b>498.59</b>
<b>(b) Current borrowings</b>		
<b>Cash credit from banks</b>		
Secured	-	0.01
<b>Revolving credit facility</b>		
Secured	652.31	466.18
<b>Loans repayable on demand</b>		
Secured	60.01	75.00
Unsecured	67.69	329.58
<b>Redeemable preference shares (unsecured)</b>	8.92	8.92
<b>Compulsorily convertible preference shares (unsecured) (refer note ii below)</b>	-	292.30
<b>Other short term loans</b>		
Secured	-	0.14
	<b>788.93</b>	<b>1,172.13</b>
<b>Current portion of long term borrowings</b>		
Secured term loans from banks	2.26	318.89
	<b>2.26</b>	<b>318.89</b>
<b>Total current borrowings</b>	<b>791.19</b>	<b>1,491.02</b>

Information about Group's exposure to interest rate and liquidity risks is included in note 43.

#### A. Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

In crores of ₹	Carrying amount as at			March 31, 2024	March 31, 2023
	Currency	Nominal Interest rate	Year of maturity		
<b>Secured term loan from banks</b>					
DBS Bank Limited, Axis Bank Limited & Standard Chartered Bank Limited	USD / GBP	2.10% + 1 month LIBOR/ 2.10% + CAS 0.0326% + 1 Month SONIA	2022 - 2025	-	754.23
HDFC Bank Limited	INR	7.60 - 9.0%	2023	5.01	4.81
IDFC First Bank Limited	INR	6 Month MCLR + 5 bps	2025	-	50.00
IDFC First Bank Limited	GBP	3.40%	2023	-	8.45
				<b>5.01</b>	<b>817.49</b>
<b>Secured revolving credit facility</b>					
DBS Bank Limited, Axis Bank Limited & Standard Chartered Bank Limited (refer note (i) below)	GBP	2.05% + CAS 0.0326%+1 Month SONIA	-	-	466.18
DBS Bank Limited, Axis Bank Limited, Export Import Bank of India, Yes Bank Ltd, IndusInd bank & Barclays Bank PLC (refer note (i) below)	GBP	2.25%+1 Month SONIA, 1.75%+1Month SONIA	-	608.19	-

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

In crores of ₹	Carrying amount as at			March 31, 2024	March 31, 2023
	Currency	Nominal Interest rate	Year of maturity		
DBS Bank Limited (refer note (i) below)	SGD	2.25%+1 Month SORA, 1.75%+1 Month SORA		44.12	-
				<b>652.31</b>	<b>466.18</b>
<b>Secured loans repayable on demand*</b>					
State Bank of India Limited	INR	7.85%- 7.90%	-	60.01	75.00
				<b>60.01</b>	<b>75.00</b>
<b>Unsecured loans repayable on demand*</b>					
Standard Chartered Bank Ltd	INR	7.65% - 8.60%	-	-	60.00
Axis Bank Limited	INR	7.85% - 8.65%	-	10.89	94.98
Yes Bank Limited	INR	7.60%-7.95%	-	56.80	-
HDFC Bank Limited	INR	7.94% - 8.75%	-	-	114.40
DBS Bank Limited	INR	8.50% - 8.96%	-	-	40.20
IDFC First Bank Limited	INR	8.5% - 9.1%	-	-	20.00
				<b>67.69</b>	<b>329.58</b>
<b>Redeemable preference shares</b>					
Unsecured	INR	0.0001%	-	8.92	8.92
				<b>8.92</b>	<b>8.92</b>
<b>Compulsorily Convertible Preference Shares (refer note (ii) below)</b>					
Unsecured	INR	0.0001%	-	-	292.30
				-	<b>292.30</b>
<b>Other short term loans*</b>					
Banc Sabadell - Secured	EUR	2.75%	-	-	0.14
				-	<b>0.14</b>
				<b>793.94</b>	<b>1,989.61</b>

\* These are repayable on demand or payable within a period of 12 months.

Note:

- On March 11, 2024, the Group has settled the existing bank Revolving Credit Facility of GBP (from DBS Bank Limited, Axis Bank Limited & Standard Chartered Bank Limited) with a fresh Revolving Credit Facility of USD 115 Mn split into GBP 82.81Mn from DBS Bank Limited, Axis Bank Limited, Export Import Bank of India, Yes Bank Ltd, IndusInd bank & Barclays Bank PLC and SGD 15Mn from DBS Bank Limited. The total facility is further split into Facility A & B, Facility A1, B1 for GBP 41.40 Mn each and Facility A2, B2 for SGD 7.5 Mn each. Facility A is a committed facility with two years tenor revolving on a six-months basis and facility B is an uncommitted facility with one year tenor revolving on a six-months basis. In respect of the above borrowing arrangements, the Group has not defaulted on any of the financial and non-financial covenants as at March 31, 2024.
- During the year ended March 31, 2023, the Company had allotted 31,53,220 Series A Compulsorily Convertible Preference Shares ("CCPS") of ₹ 100 each, at a premium of ₹ 272 & 97,22,222 Series E Compulsorily Convertible Preference Shares ("CCPS") of ₹ 1 each, at a premium of ₹ 179 each respectively to identified persons on a preferential basis. Each CCPS carried a cumulative preferential dividend rate of 0.0001% per annum on the subscription price of the CCPS and was non-participating preference shares. CCPS were convertible compulsorily and automatically into such number of equity shares as per a pre-determined formula at the conversion date, which was linked to the likelihood of IPO happening before a particular date as specified in the share purchase agreements and various possible valuation outcomes from the IPO of the equity shares of the Company.



## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

Subsequently, on July 27, 2023, prior to the IPO, the company converted these Compulsorily Convertible Preference Shares into Equity at the agreed conversion ratio. Also refer Note 48 on Exceptional Items.

### B. Secured loans

#### Secured term loan from banks

Term loans from HDFC Bank Limited are secured by hypothecation of vehicles acquired out of the loan.

#### Revolving Credit facility

SGD revolving credit facility from DBS Bank Limited availed by TVS Supply Chain Solutions Pte. Ltd. is secured by a charge on it's all present and future current assets (inventory and trade receivables) including assignment of rights under material insurance policies as permitted under the Facility and is also secured by a guarantee provided by TVS Supply Chain Solutions Limited.

GBP revolving credit facility from DBS Bank Limited, Axis Bank Limited, Export Import Bank of India, Yes Bank Ltd, IndusInd bank & Barclays Bank PLC availed by TVS Logistics Investments UK Limited and its subsidiaries is secured by all present and future current assets of i) TVS Logistics Investment UK Limited, ii) TVS Supply Chain Solutions Ltd, UK, iii) Rico Logistics Ltd, UK, and iv) TVS Supply Chain Solutions North America Inc. (i.e. charge over stock and receivables) including assignment of rights under material insurance policies as permitted under the Facility. It is also secured by a guarantee provided by TVS Supply Chain Solutions Limited.

Secured loans repayable on demand from banks

Loan repayable on demand from State Bank of India Limited is secured against the current assets of the Company including book debts and other current assets.

### C. Redeemable Preference Shares

The Company has cumulative, redeemable, non-convertible, participating preference shares. These preference shares have been classified as a liability. For rights, preferences and restrictions attached to preference shares attached to these preference shares refer note 29A.

### 31 Trade payables

	March 31, 2024	March 31, 2023
Trade payables to related parties (refer note 42)	1.32	2.20
Dues to micro and small enterprises	72.52	110.41
Other trade payables	1,294.38	1,314.71
	<b>1,368.22</b>	<b>1,427.32</b>

#### Ageing of trade payables from the due date of payment:

##### March 31, 2024

	Not due	< 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - micro enterprises and small enterprises	66.15	6.36	-	0.01	-	72.52
Undisputed dues - Others	953.80	262.05	74.70	3.97	1.18	1,295.70
	<b>1,019.95</b>	<b>268.41</b>	<b>74.70</b>	<b>3.98</b>	<b>1.18</b>	<b>1,368.22</b>

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### March 31, 2023

	Not due	< 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - micro enterprises and small enterprises	75.25	33.32	0.99	0.36	0.49	110.41
Undisputed dues - Others	956.16	330.89	23.00	1.97	4.89	1,316.91
	<b>1,031.41</b>	<b>364.21</b>	<b>23.99</b>	<b>2.33</b>	<b>5.38</b>	<b>1,427.32</b>

There are no "unbilled and not due" trade payables, hence the same are not disclosed in the ageing schedule.

Note: Trade payables are non-interest bearing and are normally settled on 30 to 60 day credit terms. Information about Group's exposure to market risks and liquidity risks is included in note 43.

### 32 Other financial liabilities

	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Derivative liability	0.91	69.55	22.04	-
Amount due to employees	-	-	61.77	101.41
Interest accrued but not due on borrowings	-	-	0.27	1.80
Payable to factor (refer note 24A)	-	-	1.25	97.61
Security deposits	2.02	10.31	0.38	0.40
Deferred consideration*	-	-	-	54.31
Capital creditors	-	-	6.00	6.54
	<b>2.93</b>	<b>79.86</b>	<b>91.71</b>	<b>262.07</b>

\*Deferred consideration includes payable towards acquisition of shares in RICO Logistics Limited, UK amounting to ₹ Nil (March 31, 2023: ₹50.94 crores) and in TVS Supply Chain Solutions Australia Holdings Pty. Ltd amounting to ₹ Nil (March 31, 2023: ₹ 3.38 crores).

### 33 Provisions (refer note 34)

	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Provisions for employee benefits</b>				
Liability for retirement benefit obligations	19.47	11.99	0.48	5.04
Liability for compensated absences	5.26	9.00	25.05	24.23
<b>Other provisions</b>				
Provision for dilapidation	31.68	31.88	0.42	0.33
Provision for warranties	-	-	0.10	0.10
Provision for litigations	-	-	0.89	0.57
	<b>56.41</b>	<b>52.87</b>	<b>26.94</b>	<b>30.27</b>

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

Movement in other provisions	Dilapidation	Warranties	Litigations	Total
<b>Balance as at April 1, 2022</b>	<b>29.12</b>	<b>0.10</b>	<b>0.51</b>	<b>29.73</b>
Provisions made during the year	1.20	0.10	0.21	1.51
Provisions utilised during the year	-	(0.10)	(0.15)	(0.25)
Foreign exchange adjustments	1.89	-	-	1.89
<b>Balance as at March 31, 2023</b>	<b>32.21</b>	<b>0.10</b>	<b>0.57</b>	<b>32.88</b>
Provisions made during the year	0.92	0.10	0.53	1.55
Provisions utilised during the year	(1.54)	(0.10)	(0.21)	(1.85)
Foreign exchange adjustments	<b>0.51</b>	-	-	<b>0.51</b>
<b>Balance as at March 31, 2024</b>	<b>32.10</b>	<b>0.10</b>	<b>0.89</b>	<b>33.09</b>

### Dilapidation

This represents the present obligation of the cost likely to be incurred to restore the leased assets at the time of handing over to the lessors.

### 34 Other non-current liabilities

	March 31, 2024	March 31, 2023
Deferred rent	0.17	0.22
Deferred revenue	10.44	0.83
	<b>10.61</b>	<b>1.05</b>

### 35 Other current liabilities

	March 31, 2024	March 31, 2023
Deferred revenue	13.16	4.78
Statutory dues	101.04	112.06
Advances from customers	16.16	16.35
Others	21.30	18.45
	<b>151.66</b>	<b>151.64</b>

### 36A Employee benefits

#### Defined contribution plans

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 country which are defined contribution plans. The Group 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 such defined contribution plans for the year aggregated to ₹ 211.52 crores (March 31, 2023: ₹ 196.83 crores).

#### Defined benefit plans

	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Provisions for retirement benefit obligations	19.47	11.99	0.48	5.04

For details about the related employee benefit expenses, see note 10.

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### Details of retirement benefit obligations

The Company and its subsidiaries in India have a defined benefit gratuity plan in India (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan entitles employees, who have 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 Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

#### A. Funding

The gratuity plans of the Company and certain subsidiaries in India is a funded plan with the Group making periodic contributions to a fund managed by certain insurance companies. The retirement benefit plans of the overseas subsidiaries noted above are unfunded.

#### 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

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	39.65	35.65
Benefits paid	(6.74)	(5.96)
Current service cost	5.66	5.29
Interest cost	1.94	1.41
Past service cost	-	(0.56)
Actuarial (gains) losses recognised in other comprehensive income		
- changes in demographic assumptions	0.13	(0.06)
- changes in financial assumptions	(0.67)	(1.25)
- experience adjustments	2.91	4.67
Exchange differences	0.15	0.46
<b>Balance at the end of the year</b>	<b>43.03</b>	<b>39.65</b>

#### Reconciliation of the fair value of plan assets

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	22.62	20.92
Contributions paid	3.62	4.01
Benefits paid	(4.89)	(4.05)
Interest income	1.75	1.18
Actuarial gains / (losses) recognised in other comprehensive income	(0.02)	0.56
<b>Balance at the end of the year</b>	<b>23.08</b>	<b>22.62</b>
<b>Net defined benefit (asset) / liability</b>	<b>19.95</b>	<b>17.03</b>



## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### C. Expense recognised in profit or loss

	March 31, 2024	March 31, 2023
Current service cost	5.66	5.29
Interest cost	1.94	1.41
Past service cost	-	(0.56)
Interest income	(1.75)	(1.18)
	<b>5.85</b>	<b>4.96</b>

### D. Remeasurements recognised in other comprehensive income

	March 31, 2024	March 31, 2023
Actuarial gain / (loss) on defined benefit obligation	(2.37)	(3.36)
Actuarial gain / (loss) on plan assets	(0.02)	0.56
	<b>(2.39)</b>	<b>(2.80)</b>

### E. Plan assets

	March 31, 2024	March 31, 2023
<b>Plan assets comprise of the following:</b>		
Insurer managed funds	23.08	22.62
	<b>23.08</b>	<b>22.62</b>

### F. Defined benefit obligation

#### i. Actuarial assumptions

	March 31, 2024	March 31, 2023
<b>Principal actuarial assumptions at the reporting date were:</b>		
Discount rate	7.1%-7.21%	7%-7.47%
Future salary growth	7% - 10%	8% - 10%
Attrition rate	3%-59%	3%-63%
Expected return on plan assets	7.1%-7.30%	7.2%-7.30%

#### ii. Sensitivity analysis

The sensitivity analyses have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. 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:

	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(3.43)	3.23	(3.79)	4.15
Future salary growth (1% movement)	3.91	(3.12)	4.37	(3.48)
Attrition rate (1% movement)	(0.12)	0.17	(0.39)	0.48

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.

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### G. Maturity Profile of Defined Benefit Obligation

	March 31, 2024	March 31, 2023
Within the next 12 months (next annual reporting period)	22.41	21.36
Between 2 and 5 years	20.27	16.96
Between 6 and 10 years	6.31	5.18
Beyond 10 years	17.99	8.94
The weighted average duration of the defined benefit obligation	5.36	8.06

### 36B Share based payments

The Company has Management Incentive Plan (MIP) scheme under which share options are granted to employees which has been approved by the shareholders of the Company. In accordance with the terms of the plan, eligible employees may be granted options to purchase equity shares of the company if they are in service on exercise of the grant. Each employee share option converts into one equity share of the Company on exercise at the exercise price as per the scheme. The options carry neither rights to dividend nor voting rights. Options can be exercised at any time from the date of vesting to the date of their expiry.

### Fair value of share options granted during the year

During the year ended March 31, 2024 and March 31, 2023, the Company has not granted any stock options. Options were priced using a Black Scholes option valuation model & Monte Carlo simulation model for MIP I and II respectively. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations. Expected volatility is based on the historical share price volatility of guideline companies in developed and developing countries.

### Inputs in to the model:

	MIP I	MIP I	MIP I	MIP I	MIP I
Grant date share price *	96.40	153.15	141.89	141.89	127.70
Grant date	20-Nov-18	14-Feb-20	20-Nov-20	09-Feb-21	08-Feb-22
Exercise price	95.00	95.00	95.00	95.00	95.00
Expected volatility	32.00%	35.90%	52.30%	52.30%	53.40%
Option life	2.36 years	1.13 years	1 year	1 year	1 year
Dividend yield	0.15%	0.00%	0.00%	0.00%	0.00%
Risk free interest rate	7.28%	5.10%	3.80%	3.80%	4.40%

\* Before adjustment for lack of marketability

	MIP II - Pool A & Pool B	MIP II - Pool A & Pool B	MIP II - Pool A & Pool B	MIP II
Grant date share price *	96.40	119.38	119.38	127.70
Grant date	20-Nov-18	16-May-19	01-Jul-19	08-Feb-22
Exercise price	95.00	95.00	95.00	95.00
Expected volatility	33.10%	36.23%	36.23%	53.25%
Option life	3.61 years	3.13 years	3 years	1.39 years
Dividend yield	0.15%	0.00%	0.00%	0.00%
Risk free interest rate	7.50%	6.44%	6.44%	4.35%

\* Before adjustment for lack of marketability

## Notes to Consolidated Financial Statements

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### Movements in share options during the year

MIP I	Year ended March 31, 2024 Number of Options	Weighted average exercise price	Year ended March 31, 2023 Number of Options	Weighted average exercise price
Opening at the beginning of the year	1,23,53,220	95.00	1,25,93,450	95.00
Granted during the year	-	-	-	-
Exercised during the year*	73,27,169	95.00	1,01,670	95.00
Forfeited and expired during the year	11,47,690	95.00	1,38,560	95.00
<b>Balance at the end of the year</b>	<b>38,78,361</b>	<b>95.00</b>	<b>1,23,53,220</b>	<b>95.00</b>

\* The weighted average market price of equity shares for options exercised during the year is ₹ 154.40 (Previous year: ₹ 180.00)

<b>Share options vested but not exercised</b>	<b>38,78,361</b>	<b>1,23,53,220</b>		
MIP II	Year ended March 31, 2024 Number of Options	Weighted average exercise price	Year ended March 31, 2023 Number of Options	Weighted average exercise price
Opening at the beginning of the year	42,57,330	95.00	45,22,890	95.00
Granted during the year	-	-	-	-
Exercised during the year	12,81,549	95.00	-	-
Forfeited and expired during the year	5,38,440	95.00	2,65,560	95.00
<b>Balance at the end of the year</b>	<b>24,37,341</b>	<b>95.00</b>	<b>42,57,330</b>	<b>95.00</b>
<b>Share options vested but not exercised</b>	<b>24,37,341</b>		-	

The share options outstanding at the end of the year had a weighted average exercise price of ₹ 95.00 and a weighted average remaining contractual life of Nil (March 31, 2023: 0.25 years).

### 37 Capital commitments, contingent liabilities and other matters

	March 31, 2024		March 31, 2023	
	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	7.10	-	13.55	-
<b>Contingent liabilities:</b>				
Employee related matters #	21.84	-	21.84	-
Income tax related matters	50.75	-	13.70	-
Bank guarantees issued	1.48	-	1.51	-
Service tax related matters	14.94	-	6.23	-
Sales tax related matters	0.57	-	1.58	-
GST related matters	22.10	-	6.69	-
Claims not acknowledged as debt *	4.15	-	4.82	-

Note:

From time to time, the Group 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 Group.

#The Company has challenged the demand orders from Provident Fund authorities aggregating to ₹ 21.84 crores for the periods April 2011 to February 2015 on the grounds that provident fund on certain allowances need

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not be included for calculation of the Provident Fund contribution, as the same is not universally paid to all the employees of the Company. The Hon'ble Supreme Court of India by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion for the purposes of computation of the Provident Fund contribution.

With respect to the demand order for the period from April 2011 to October 2013 amounting to ₹ 12.49 crore, the Company filed a review petition to Regional Provident Fund Commissioner to review the demand order in the light of the Supreme Court decision and the Company has also obtained an interim injunction dated September 13, 2019 from Honourable High Court of Madras, which has directed the Employee Provident fund organisation not to raise any demand pending disposal of the Company's petition and have ordered the PF Authorities for reassessment. Re-assessment hearings are under progress as at March 31, 2024. With respect to the demand order for the period from November 2013 to February 2015 amounting to ₹ 9.01 crore, the matter is pending with PF Appellate Tribunal and the Company has remitted a deposit of ₹ 3.60 crores during the year ended March 31, 2023. Based on the management's assessment supported by external legal advice, the Company is of the view that no provision is required for the aforesaid matters as at March 31, 2024 and March 31, 2023.

### \* Claims against TVS Industrial & Logistics Park Pvt. Limited ("TVSILP") not acknowledged as debts:

- Maharashtra Industrial Development Corporation ("MIDC") has served a notice of claim dated November 6, 2006 as development charges of ₹0.94 crores ("Claim") against 6 hectares and 12 Ares of land belonging to TVSILP ("Land"). TVSILP has contested the Claim as the Land does not fall within the purview of MIDC and they have filed a Suit viz. Regular Civil Suit No.26/2007 before the Civil Judge, Junior Division, Khed, at Khed, in Pune against MIDC. The Hon'ble Court by and Order dated October 17, 2007 has granted a stay against the Claim. Thereafter in the year 2010, TVSILP has received a letter dated July 6, 2010 from MIDC increasing the Claim amount to ₹1.17 crores. TVSILP has filed appropriate reply to the said letter.
- TVSILP has availed but not utilised ITC on Construction Expenses used in the construction of its warehouse buildings for which a Show Cause Notice in March 2023 was issued to the three subsidiary companies by Directorate General of GST Intelligence asking for the reversal of the same since the ITC on goods and services used in the construction of warehouse is blocked under Section 17(5) of the CGST Act, 2017. The said subsidiary companies of TVSILP have preferred Writ Petitions in the Madras High Court on April 13, 2023 based on precedence in case of Orissa High Court Judgement in the case of M/s Safari Retreats Private Limited and challenged Section 17(5)(c), Section 17(5)(d) and Section 16(4) to keep the proceedings in abeyance including recovery proceedings by the department. Besides filing the writ, the Subsidiary companies of TVSILP have also preferred an Intervention Application in the case of M/s Safari Retreats Private Limited in the Hon'ble Supreme Court. TVSILP is confident that the same will be settled in its favour and hence no provision is required. Following are the companywise pending letigations:

Subsidiaries of TVSILP	Amount (₹ Crores)
Maragathammbal Industrial And Logistics Park Private Limited	7.51
Marudhamalai Industrial & Logistics Parks Private Limited	16.12
Siruvapuri Murugan Industrial and Logistics Private Limited	11.32

### Other Matters

- The Company's erstwhile wholly owned subsidiary, Drive India Enterprise Solutions Limited (DIESL) (Discontinued operations) had VAT and Service tax matters outstanding with authorities at various levels in the respective years. Majority of these disputes were covered under the specific and general indemnity under the Share Purchase Agreement dated May 22, 2015 with the erstwhile shareholders ("Original SPA"). Subsequently, the Company entered in to Share Purchase Agreement dated September 29, 2021 ("New SPA") with the Buyer for disposal of investments in DIESL for a consideration of ₹ 1 crore. The Company entered in to an Novation



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agreement with the erstwhile shareholders and the Buyer for the transfer of indemnities provided in Original SPA. As per the New SPA, the Company's maximum indemnity to the Buyer is restricted to ₹35 crores including any losses suffered by the Buyer under the "Original SPA" should the erstwhile shareholders fail to indemnify.

(ii) Disputes with minority shareholders - TVS Supply Chain Solutions Australia Holdings Pty. Ltd ("the entity")

(a) TVS Supply Chain Solutions Australia Holdings Pty. Ltd

The Group was part of a litigation with the erstwhile shareholders of the entity 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%) in the entity. The dispute was pending with the Supreme Court of Victoria. During the year ended March 31, 2024, the dispute was settled for an amount of ₹ 32.68 crores and this was accounted for as an equity transaction.

(iii) TVS Supply Chain Solutions North America Inc

TVS Supply Chain North America Inc, is part of an ongoing litigation with few employees of the Group. The Group 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 Leases

#### Finance leases as lessor

The leases primarily consists leasing of plant & machinery and material handling equipments. There are no material risks to the Group on these leasing transactions and accordingly no specific disclosure is provided on the risks.

The reconciliation between the gross investment in the lease at the end of the reporting year, and the present value of minimum lease payments receivable at the end of the reporting year are as follows:

	March 31, 2024	March 31, 2023
Gross investment in the lease	8.21	13.65
Unearned finance income	(0.98)	(2.10)
<b>Net investment in the lease</b>	<b>7.23</b>	<b>11.55</b>

The gross investment in the lease and the present value of the minimum lease payments receivables under non-cancellable finance leases are as follows:

	March 31, 2024	March 31, 2023
<b>Gross investment in the lease</b>		
Receivable within one year	3.85	5.20
Receivable between one and five years	4.33	8.41
Receivable after five years	0.03	0.04
<b>Total</b>	<b>8.21</b>	<b>13.65</b>

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

	March 31, 2024	March 31, 2023
Present value of minimum lease payments receivable		
Receivable within one year	3.21	4.09
Receivable between one and five years	4.00	7.43
Receivable after five years	0.02	0.03
<b>Total</b>	<b>7.23</b>	<b>11.55</b>

### 39 Struck off companies

The Company has balance with the below-mentioned company struck off under section 248 of Companies Act, 2013:

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at current period	Relationship with the struck off company, if any, to be disclosed
G N Logistics Private Limited	Trade Payables	-	None
Goal Tech Engineering Private Limited	Trade Payables	0.05	None

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

#### A. Disaggregated revenue information

Segment	March 31, 2024			March 31, 2023		
	India	Outside India	Total	India	Outside India	Total
<b>Type of goods or service</b>						
Revenue from operations	2,711.00	6,488.98	9,199.98	3,026.71	6,967.67	9,994.38
<b>Total revenue from contracts with customers</b>	<b>2,711.00</b>	<b>6,488.98</b>	<b>9,199.98</b>	<b>3,026.71</b>	<b>6,967.67</b>	<b>9,994.38</b>

Revenues from external customers in respect of each category of services rendered by the Group are as follows:

Revenue	March 31, 2024	March 31, 2023
Integrated Supply Chain Solutions	5,239.96	4,580.63
Network Solutions	3,960.02	5,413.75
	<b>9,199.98</b>	<b>9,994.38</b>

#### B. Timing of revenue recognition

Particulars	March 31, 2024	March 31, 2023
Goods transferred at a point in time	2,041.04	1,664.41
Services transferred over time	7,158.94	8,329.97
<b>Total revenue from contracts with customers</b>	<b>9,199.98</b>	<b>9,994.38</b>

#### C. Summary of contract balances

Particulars	March 31, 2024	March 31, 2023
Trade receivables	1,545.15	1,381.62
Contract assets (Unbilled revenue) (Refer note (a) below)	466.74	375.66
Contract liability (Advance from Customers)	16.16	16.35

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Note:

- Contract assets are initially recognised for revenue earned from supply chain management services as receipt of consideration is conditional on successful completion. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.
- There are no significant changes in the Contract assets and Contract liabilities during the periods reported.

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

Particulars	March 31, 2024	March 31, 2023
Revenue as per contracted price	9,200.41	10,000.22
Less: Trade discounts, volume rebates etc.	(0.43)	(5.84)
Revenue as per statement of profit and loss	9,199.98	9,994.38

## 41 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 financial statements, particularly on the amount of tax expense and that of provision for taxation upto and for the year ended March 31, 2024.

## 42 Related party disclosures

<b>A. Enterprise having significant influence</b>	TVS Mobility Private Limited
<b>B. Subsidiaries of TVS Mobility Private Limited</b>	Sundaram Industries Private Limited
	SI Airsprings Private Limited
	TVS Sirius Controls Private Limited
	TVS Interconnect Systems Private Limited
<b>C. Joint Ventures</b>	TVS Industrial & Logistics Park Private Limited
	Linfox TVS Solutions Pty Limited, Australia (Till February 2, 2023)
<b>D. Key management personnel (KMP)</b>	Mr. R. Dinesh, Executive Chairman
	Mr. Ravi Viswanathan, Managing Director
	Ms. Shobhana Ramachandran, Non-Executive director
	Mr. Ashish Kaushik, Nominee director
	Mr. Anand Kumar, Nominee director
	Ms. Gauri Kumar, Independent Director
	Mr. B. Sriram, Independent Director
	Mr. Tarun Khanna, Independent director (w.e.f May 16, 2022)
	Mr. Narayan K. Seshadri, Independent director (w.e.f. August 29, 2023)
	Mr. K. Ananth Krishnan, Independent director (w.e.f. August 29, 2023)
	Mr. Ravi Prakash Bhagavathula, Chief Financial Officer
	Mr. P D Krishna Prasad, Company Secretary
	Mr. S. Ravichandran, Non-Executive Director (till August 29, 2023)
	Mr. Bobby Pauly, Nominee director (till January 13, 2023)
	Mr. S Mahalingam, Independent director (till August 29, 2023)

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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<b>E. Companies under common directorship/ Private Companies in which our director is a member/ Entities controlled by KMP or relatives of KMP of the Company</b>	TVS Srichakra Limited
	TVS Automobile Solutions Private Limited
	Ki Mobility Solutions Private Limited
	T V Sundram Iyengar & Sons Private Limited
	Sundharams Private Limited
	TVS Europe Distribution Limited

Transactions during the year	Year ended March 31, 2024	Year ended March 31, 2023
<b>Income from Supply chain management services</b>		
Sundaram Industries Private Limited	2.51	3.74
T V Sundram Iyengar & Sons Private Limited	(0.02)	-
TVS Srichakra Limited	82.29	93.57
SI Airsprings Private Limited	-	0.12
TVS Mobility Private Limited	0.17	0.10
TVS Automobile Solutions Private Limited	0.52	-
Ki Mobility Solutions Private Limited	40.27	44.36
TVS Interconnect Systems Private Limited	0.01	0.11
<b>Expenses incurred on behalf of</b>		
T V Sundram Iyengar & Sons Private Limited	(0.02)	-
TVS Mobility Private Limited	2.03	0.03
TVS Europe Distribution Limited	-	6.01
TVS Industrial & Logistics Park Private Limited	0.10	-
<b>Purchase of spares and others</b>		
Sundaram Industries Private Limited	0.85	0.72
TVS Industrial & Logistics Park Private Limited	2.34	-
TVS Mobility Private Limited	-	0.48
TVS Sirius Controls Private Limited	0.02	0.03
<b>Freight, packing and forwarding expenses</b>		
T V Sundram Iyengar & Sons Private Limited	-	1.75
TVS Sirius Controls Private Limited	-	0.01
TVS Srichakra Limited	-	0.45
<b>Rent Expenses</b>		
TVS Industrial & Logistics Park Private Limited	25.07	18.62
TVS Mobility Private Limited	2.98	2.76
TVS Automobile Solutions Private Limited	-	2.16
<b>Repairs and maintenance</b>		
TVS Industrial & Logistics Park Private Limited	0.60	0.07
TVS Automobile Solutions Private Limited	-	0.42
<b>Other expenses</b>		
TVS Industrial & Logistics Park Private Limited	-	17.13
Sundharams Private Limited	0.06	0.05
TVS Mobility Private Limited	1.83	0.05
TVS Sirius Controls Private Limited	-	0.01
TVS Automobile Solutions Private Limited	0.28	-



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Transactions during the year	Year ended March 31, 2024	Year ended March 31, 2023
<b>Sale of Property, plant and equipment</b>		
TVS Mobility Private Limited	8.64	-
<b>Purchase of Property, plant and equipment</b>		
T V Sundram Iyengar & Sons Private Limited	-	0.99
TVS Industrial & Logistics Park Private Limited	2.40	0.67
TVS Mobility Private Limited	-	0.83
TVS Sirius Controls Private Limited	0.04	-
<b>Remuneration to Key Managerial Personnel (refer note 1 and 2 below)</b>		
Mr. Ravi Viswanathan	3.01	5.59
Mr. R. Dinesh	3.38	7.35
Mr. Ravi Prakash Baghavathula	3.39	4.11
Mr. P D Krishna Prasad	0.57	0.56
<b>Sitting fees to Independent &amp; Non-Executive Directors</b>		
Mr. C. K. Ranganathan	-	0.02
Mr. S Mahalingam	0.06	0.12
Mr. S. Ravichandran	0.06	0.09
Ms. Shobhana Ramachandhran	0.09	0.08
Ms. Gauri Kumar	0.14	0.09
Mr. B. Sriram	0.16	0.10
Mr. Tarun Khanna	0.07	0.05
Mr. Narayan K Seshadri	0.10	-
Mr. K Ananth Krishnan	0.07	-
<b>Commission to Independent &amp; Non-Executive Directors</b>		
Mr. Narayan K Seshadri	0.12	-
Mr. K Ananth Krishnan	0.10	-
Mr. S Mahalingam	-	0.12
Mr. S. Ravichandran	-	0.10
Ms. Shobhana Ramachandhran	0.10	0.10
Ms. Gauri Kumar	0.10	0.10
Mr. B. Sriram	0.12	0.12
Mr. Tarun Khanna	0.10	0.10

### Note

- As the future liabilities of gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the KMP is not ascertainable separately and therefore not included above.
- The company has not incurred any employee stock compensation expense towards KMP for the years ended March 31, 2024 and March 31, 2023.

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### Year end balances:

	March 31, 2024	March 31, 2023
<b>Receivables</b>		
Sundaram Industries Private Limited	0.48	0.44
T V Sundram Iyengar & Sons Private Limited	-	0.04
TVS Srichakra Limited	24.98	17.53
Ki Mobility Solutions Private Limited	11.28	11.27
TVS Europe Distribution Limited	-	7.76
TVS Mobility Private Limited	12.57	-
TVS Industrial & Logistics Park Private Limited	0.12	-
TVS Automobile Solutions Private Limited	0.15	-
TVS Interconnect Systems Private Limited	0.01	-
<b>Security deposits (based on transaction value, not discounted)</b>		
TVS Industrial & Logistics Park Private Limited	9.31	9.31
<b>Advance paid for Supply of Goods &amp; Services</b>		
TVS Industrial & Logistics Park Private Limited	-	4.42
T V Sundaram Iyengar & Sons Private Limited	-	0.16
<b>Payables</b>		
Sundaram Industries Private Limited	0.16	0.22
T V Sundram Iyengar & Sons Private Limited	-	0.15
TVS Mobility Private Limited	1.12	0.60
Sundharams Private Limited	-	0.00
TVS Automobile Solutions Private Limited	0.03	1.02
TVS Sirius Controls Private Limited	0.01	-
<b>Payable to Key Managerial Personnel</b>		
Remuneration to Mr. R. Dinesh	-	4.00
Remuneration to Mr. Ravi Viswanathan	-	2.50
Remuneration to Mr. Ravi Prakash Bhagavathula	-	1.23
Remuneration to Mr. P D Krishna Prasad	-	0.02
Commission to Mr. Narayan K Seshadri	0.12	-
Commission to Mr. K Ananth Krishnan	0.10	-
Commission to Mr. S Mahalingam	-	0.12
Commission to Mr. S. Ravichandran	-	0.10
Commission to Ms. Shobhana Ramachandhran	0.10	0.10
Commission to Ms. Gauri Kumar	0.10	0.10
Commission to Mr. B. Sriram	0.12	0.12
Commission to Mr. Tarun Khanna	0.10	0.10

## Notes to Consolidated Financial Statements

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### 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:

	Note	Carrying amount					
		March 31, 2024			March 31, 2023		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets measured at fair value							
Investments	19	0.20	-	-	0.20	-	-
Total		0.20	-	-	0.20	-	-
Financial assets carried at amortised cost							
Deposits and other receivables	20	-	-	163.82	-	-	171.02
Trade receivables	24	-	-	1,409.23	-	-	1,234.25
Cash and cash equivalents	25	-	-	509.36	-	-	1,085.79
Other bank balances	26	-	-	87.52	-	-	94.26
Other financial assets	21	-	-	8.84	-	-	3.80
Total		-	-	2,178.77	-	-	2,589.12
Financial liabilities measured at fair value							
Derivatives - Forward contract payables	32	22.95	-	-	69.55	-	-
Total		22.95	-	-	69.55	-	-
Financial liabilities carried at amortised cost							
Borrowings	30	-	-	793.94	-	-	1,989.61
Lease liability	16B	-	-	1,405.08	-	-	1,334.37
Trade payables	31	-	-	1,368.22	-	-	1,427.32
Other financial liabilities	32	-	-	71.69	-	-	272.38
Total		-	-	2,233.85	-	-	3,689.31

#### B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels as described in note 2E.

The following table presents fair value hierarchy of assets and liabilities measured at fair value:

#### Financial assets and liabilities valued at fair value

Particulars	March 31, 2024			March 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Assets:</b>						
Investments	-	-	0.20	-	-	0.20
<b>Liabilities:</b>						
Derivative liability	-	22.95	-	-	69.55	-
Compulsorily convertible preference shares	-	-	-	-	292.30	-

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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.

There have been no transfers between Level 2 and Level 3 during the periods.

#### 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
Derivative asset/liability	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies	Not applicable	Not applicable

#### 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.



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

	Carrying amount	
	March 31, 2024	March 31, 2023
Trade receivables	1,409.23	1,234.25
Investments	0.20	0.20
Cash and cash equivalents	509.36	1,085.79
Other bank balances	87.52	94.26
Deposits and other receivables	163.82	171.02
Other financial assets	8.84	3.80
<b>Total</b>	<b>2,178.97</b>	<b>2,589.32</b>

### 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.

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:

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	147.37	128.53
Add: Provision for the year	26.57	35.02
Less: Provision withdrawn against bad debts written off	(39.37)	(18.40)
Add / Less: Exchange differences on translation of foreign operations	1.35	2.22
<b>Balance at end of the year</b>	<b>135.92</b>	<b>147.37</b>

### Cash and cash equivalents and other bank balances

The Group holds cash and bank balances of ₹ 596.88 crores as at March 31, 2024 (March 31, 2023: ₹ 1,180.05 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 ₹ 172.86 crores as at March 31, 2024 (March 31, 2023: ₹ 175.02 crores). The credit worthiness of such parties are evaluated by the management on an ongoing basis and is considered to be good.

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### 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
<b>March 31, 2024</b>					
<b>Non derivative financial liabilities</b>					
<b>Current and non-current borrowings</b>					
Secured term loans from banks	5.01	5.01	2.26	2.75	-
Secured revolving credit facility	652.31	652.31	652.31	-	-
Secured loans repayable on demand	60.01	60.01	60.01	-	-
Unsecured loans repayable on demand	67.69	67.69	67.69	-	-
Redeemable preference shares	8.92	8.92	8.92	-	-
<b>Others</b>					
Trade payables	1,368.22	1,368.22	1,368.22	-	-
Lease liability	1,405.08	1,450.18	455.50	819.34	175.34
Other financial liabilities	71.69	71.69	71.69	-	-
	<b>3,638.93</b>	<b>3,684.03</b>	<b>2,686.60</b>	<b>822.09</b>	<b>175.34</b>

	Contractual cash flows				
	Carrying amount	Total	1 year or less	1-5 years	More than 5 years
<b>March 31, 2023</b>					
<b>Non derivative financial liabilities</b>					
<b>Current and non-current borrowings</b>					
Secured term loans from banks	817.49	817.49	318.90	498.59	-
Secured revolving credit facility	466.18	466.18	466.18	-	-
Secured loans repayable on demand	75.00	75.00	75.00	-	-
Unsecured loans repayable on demand	329.58	329.58	329.58	-	-
Redeemable preference shares	8.92	8.92	8.92	-	-
Compulsorily convertible preference shares	292.30	292.30	292.30	-	-
Unsecured other short term loans	0.14	0.14	0.14	-	-
<b>Others</b>					
Trade payables	1,427.32	1,427.32	1,427.32	-	-
Lease liability	1,334.37	1,518.62	453.62	790.29	274.71
Other financial liabilities	272.38	272.38	272.38	-	-
	<b>5,023.68</b>	<b>5,207.93</b>	<b>3,644.34</b>	<b>1,288.88</b>	<b>274.71</b>

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### iv. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Group'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 Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues, payables, receivables, etc. are denominated in a currency other than the respective functional currency of each of the entities in the Group. The Group does not hedge its foreign currency risk in general except in case of certain payables and receivables denominated in foreign currency which are hedged through the use of foreign currency swaps and forwards. Refer note 43 (v) for further details on hedging activities and derivatives.

	March 31, 2024						
	USD	Euro	GBP	SGD	AUD	THB	Others
<b>Financial assets:</b>							
Loans	119.01	16.74	-	182.51	-	-	-
Deposits and other receivables	35.17	44.64	129.75	52.28	0.81	2.27	5.10
Trade receivables	49.94	475.15	0.05	-	57.67	19.56	35.94
Cash and cash equivalents	75.67	52.16	0.11	-	7.80	8.55	26.79
Other bank balances	-	-	-	-	-	-	1.77
Other financial assets	-	58.57	-	-	5.54	0.77	5.10
	<b>279.79</b>	<b>647.26</b>	<b>129.91</b>	<b>234.79</b>	<b>71.82</b>	<b>31.15</b>	<b>74.70</b>
<b>Financial liabilities:</b>							
Borrowings	122.19	220.76	243.21	-	1.91	-	-
Trade payables	37.29	378.48	(0.75)	0.02	25.19	8.60	42.98
Other financial liabilities	2.16	16.16	17.21	31.46	0.52	0.38	-
	<b>161.64</b>	<b>615.40</b>	<b>259.67</b>	<b>31.48</b>	<b>27.62</b>	<b>8.98</b>	<b>42.98</b>
<b>Net assets / (liabilities)</b>	<b>118.15</b>	<b>31.86</b>	<b>(129.76)</b>	<b>203.31</b>	<b>44.20</b>	<b>22.17</b>	<b>31.72</b>

	March 31, 2023						
	USD	Euro	GBP	SGD	AUD	THB	Others
<b>Financial assets:</b>							
Loans	349.19	252.34	401.38	34.87	-	0.60	-
Deposits and other receivables	30.28	31.79	191.75	35.05	4.15	4.26	5.50
Trade receivables	101.06	102.34	3.04	0.01	51.96	23.24	65.89
Cash and cash equivalents	163.61	52.06	0.19	-	2.80	15.83	43.44
Other financial assets	-	0.04	-	-	-	0.19	0.52
	<b>644.14</b>	<b>438.57</b>	<b>596.36</b>	<b>69.93</b>	<b>58.91</b>	<b>44.12</b>	<b>115.35</b>
<b>Financial liabilities:</b>							
Borrowings	278.82	21.86	639.01	-	(10.32)	-	-
Trade payables	39.53	115.17	18.16	-	34.25	11.76	11.78
Other financial liabilities	7.28	6.05	36.66	27.97	3.37	0.40	0.88
	<b>325.63</b>	<b>143.08</b>	<b>693.83</b>	<b>27.97</b>	<b>27.30</b>	<b>12.16</b>	<b>12.66</b>
<b>Net assets / (liabilities)</b>	<b>318.51</b>	<b>295.49</b>	<b>(97.47)</b>	<b>41.96</b>	<b>31.61</b>	<b>31.96</b>	<b>102.69</b>

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR against the respective currencies noted below at reporting periods 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.

	Effect on profit or (loss) before tax		Effect on pre-tax equity	
	Weakening	Strengthening	Weakening	Strengthening
<b>March 31, 2024</b>				
United States Dollar (1% movement)	1.18	(1.18)	-	-
Euro (1% movement)	0.32	(0.32)	-	-
Great Britain Pounds (1% movement)	(1.30)	1.30	-	-
Australian Dollar (1% movement)	0.44	(0.44)	-	-
Singapore Dollar (1% movement)	2.03	(2.03)	-	-
Thailand Bhat (1% movement)	0.22	(0.22)	-	-
Others (1% movement)*	0.32	(0.32)	-	-
<b>March 31, 2023</b>				
United States Dollar (1% movement)	3.19	(3.19)	-	-
Euro (1% movement)	2.95	(2.95)	-	-
Great Britain Pounds (1% movement)	(0.97)	0.97	-	-
Australian Dollar (1% movement)	0.32	(0.32)	-	-
Singapore Dollar (1% movement)	0.42	(0.42)	-	-
Thailand Bhat (1% movement)	0.32	(0.32)	-	-
Others (1% movement)*	1.03	(1.03)	-	-

The above table also includes sensitivity analysis on inter group receivables/ payables which are denominated in a foreign currency. Such inter-group receivables and payables, though eliminated on consolidation give rise to currency risk and hence, the same has been disclosed.

\*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.

The Group has only two types of variable rate instrument i.e. cash credit facility being used for cash management purposes and certain working capital demand loans.

### Exposure to interest rate risk

	March 31, 2024	March 31, 2023
<b>Variable rate instruments</b>		
<b>Financial liabilities</b>		
- Term loans from banks	-	804.23
- Cash credit from banks	-	-
- Revolving credit facility	652.31	466.18
- Loans repayable on demand	67.69	329.58
<b>Fixed rate instruments</b>		
<b>Financial assets</b>		
- Deposits with banks	98.36	104.74



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For the year ended March 31, 2024

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

	March 31, 2024	March 31, 2023
<b>Financial liabilities</b>		
- Term loans from banks	5.01	13.26
- Loans repayable on demand	60.01	75.00
- Bills discounting	-	-
- Redeemable preference shares	8.92	8.92
- Compulsorily convertible preference shares	-	292.30
- Other short term loans	-	0.14

### Fair value sensitivity analysis for fixed rate instruments

A reasonably possible change of 100 bps 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 bps 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
<b>March 31, 2024</b>				
<b>Financial liabilities</b>				
- Revolving credit facility	(6.52)	6.52	-	-
- Loans repayable on demand	(0.68)	0.68	-	-
<b>Cash flow sensitivity (net)</b>	<b>(7.20)</b>	<b>7.20</b>	-	-
<b>March 31, 2023</b>				
<b>Financial liabilities</b>				
- Term loans from banks	(8.04)	8.04	-	-
- Revolving credit facility	(4.66)	4.66	-	-
- Loans repayable on demand	(3.30)	3.30	-	-
<b>Cash flow sensitivity (net)</b>	<b>(16.00)</b>	<b>16.00</b>	-	-

### v. Hedging activities and derivatives

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk.

#### Derivatives designated as hedging instruments

##### Cash flow hedges

The Group is exposed to cash flow volatility risks due to the difference between the functional currency of the Group and the borrowing/receivable currency.

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### Foreign currency risk: Relating to borrowing

Variability in principal liability on the loan attributable to movements in foreign currency exchange rate. To hedge changes in the foreign currency exchange rate while making principal repayments, the Group had entered into Principle only Swap (PoS) till the year ended March 31, 2023. The hedge resulted in fixed cash flows. During the year ended March 31, 2024, the Group consequent to the settlement of the hedged item viz. external borrowings, discontinued the hedge accounting. Subsequently, the Group had re-designated the hedging instruments for the loans given by the step down subsidiaries to other Group entities, to hedge changes in the foreign currency exchange rates.

There is an economic relationship between the hedged items and the hedging instruments as the critical terms of the hedged item are closely aligned with the hedging instrument from the inception of the hedge till termination (i.e., notional amount, maturity, payment and reset dates). The Group has assessed hedge effectiveness and established an economic relationship at the inception of the hedge and across the tenor of the hedging relationship.

The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the derivative instruments are identical to the hedged risk components.

The hedge ineffectiveness can arise from:

- Differences in timing of cash flows of the hedged item and hedging instrument
- The counterparties' credit risk differently impacting the fair value movements of the hedging instrument and hedged item

### The Group held the following hedging instruments as at March 31, 2024

	1 to 6 Months	6 to 12 Months	More than 12 Months	Total
<b>Relating to intercompany borrowing - Principle only Swap</b>				
Notional principal amount (In INR Crores)	95.13	210.66	-	305.79
Average Forward Rate (SGD/GBP)	1.82	1.82	-	1.82
Average Forward Rate (SGD/USD)	1.37	1.37	-	1.37
Average Forward Rate (USD/GBP)	1.26	1.26	-	1.26

### The impact of hedging instruments on the balance sheet as at March 31, 2024 was as follows

	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the year
Principle only swap - Relating to intercompany receivable	305.79	(22.95)	Other financial liabilities	(22.95)

### The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income was, as follows:

	Total hedging gain/(loss) recognised in OCI	Ineffectiveness recognised in profit or loss	Cost of hedging recognised in OCI	Amount reclassified from OCI to profit or loss	Line item in the statement of profit or loss
Year ended March 31, 2024					
Principle only swap	17.13	-	11.46	17.13	Other income/ expenses

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### The impact of hedged item on equity:

	Cash flow hedge reserve
As at April 1, 2023	-
Effective portion of changes in fair value arising from swap arrangements	17.13
Amount re-classified to profit or loss	(17.13)
<b>As at March 31, 2024</b>	-

### The Group held the following hedging instruments as at March 31, 2023

	1 to 6 Months	6 to 12 Months	More than 12 Months	Total
<b>Relating to borrowing - Principle only Swap</b>				
Notional principal amount (In INR Crores)	106.03	106.03	340.81	552.87
Average Forward Rate (SGD/GBP)	1.82	1.82	1.82	1.82
Average Forward Rate (SGD/USD)	1.37	1.37	1.37	1.37
Average Forward Rate (USD/GBP)	1.26	1.26	1.26	1.26
<b>Relating to intercompany receivable - Principle only Swap</b>				
Notional principal amount (In INR Crores)	182.25	-	-	182.25
Average Forward Rate (USD/GBP)	1.35	-	-	1.35
Average Forward Rate (SGD/AUD)	-	-	-	-

### The impact of hedging instruments on the balance sheet as at March 31, 2023 was as follows

	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the year
Principle only swap - Relating to borrowing	552.87	(52.12)	Other financial liabilities	(52.12)
Principle only swap - Relating to intercompany receivable	182.25	(17.43)	Other financial liabilities	(17.43)

### The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income was, as follows:

	Total hedging gain/(loss) recognised in OCI	Ineffectiveness recognised in profit or loss	Cost of hedging recognised in OCI	Amount reclassified from OCI to profit or loss	Line item in the statement of profit or loss
<b>Year ended March 31, 2023</b>					
Principle only swap	(34.85)	-	5.56	(34.85)	Other income/ expenses

### The impact of hedged item on equity:

	Cash flow hedge reserve
As at April 1, 2022	-
Effective portion of changes in fair value arising from swap arrangements	(34.85)
Amount re-classified to profit or loss	34.85
<b>As at March 31, 2023</b>	-

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### 44 Additional information as required under Schedule III to the Companies Act 2013, of entities consolidated as subsidiaries/ associates/ joint venture

March 31, 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
<b>Parent</b>								
TVS Supply Chain Solutions Limited	138.79%	2,560.42	116.53%	105.45	-18.84%	(2.11)	130.33%	103.34
<b>Domestic Subsidiaries - (parent's share)</b>								
TVS SCS Global Freight Solutions Ltd.	9.99%	184.21	49.71%	44.98	-0.89%	(0.10)	56.60%	44.88
FLEXOL Packaging (India) Limited	0.20%	3.63	0.80%	0.72	-0.09%	(0.01)	0.90%	0.71
SPC International (India) Private Limited	0.83%	15.28	2.51%	2.27	0.00%	-	2.86%	2.27
TVS Toyota Tsusho Supply Chain Solutions Ltd.	1.73%	31.96	7.25%	6.56	-0.27%	(0.03)	8.24%	6.53
White Data Systems India Private Limited	1.14%	21.07	-7.74%	(7.00)	1.16%	0.13	-8.66%	(6.87)
Fit 3PL Warehousing Private Limited	1.92%	35.51	3.85%	3.48	1.43%	0.16	4.59%	3.64
<b>Foreign Subsidiaries - (parent's share)</b>								
TVS SCS (Siam) Limited	-0.32%	(5.89)	-0.80%	(0.72)	0.00%	-	-0.91%	(0.72)
TVS Logistics Investment USA Inc., USA and its subsidiaries	8.03%	148.09	21.53%	19.48	0.00%	-	24.57%	19.48
TVS Logistics Investment UK Limited and its subsidiaries	44.11%	813.62	-228.28%	(206.57)	-18.75%	(2.10)	-263.17%	(208.67)
TVS Supply Chain Solutions Pte. Ltd., Singapore and its subsidiaries	5.01%	92.39	-100.04%	(90.53)	65.54%	7.34	-104.92%	(83.19)
<b>Non-controlling interests in all subsidiaries</b>	1.61%	29.70	11.85%	10.72	5.36%	0.60	14.28%	11.32
<b>Joint venture</b>								
TVS Industrial & Logistics Park Pvt. Limited	5.05%	93.09	4.74%	4.29	0.00%	-	5.41%	4.29
Eliminations	-118.09%	(2,178.35)	18.09%	16.38	65.35%	7.32	29.88%	23.70
<b>As at March 31, 2024</b>	<b>100.00%</b>	<b>1,844.73</b>	<b>-100.00%</b>	<b>(90.49)</b>	<b>100.00%</b>	<b>11.20</b>	<b>-100.00%</b>	<b>(79.29)</b>



## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

	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
March 31, 2023								
<b>Parent</b>								
TVS Supply Chain Solutions Limited	157.92%	1,200.25	-70.07%	(29.26)	-3.61%	(1.83)	-349.91%	(31.09)
<b>Domestic Subsidiaries - (parent's share)</b>								
TVS SCS Global Freight Solutions Ltd.	18.65%	141.73	115.96%	48.43	-0.39%	(0.20)	542.79%	48.23
FLEXOL Packaging (India) Limited	0.38%	2.92	0.74%	0.31	0.03%	0.02	3.64%	0.33
TVS Aviation Logistics Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
SPC International (India) Private Limited	1.71%	13.01	6.12%	2.56	0.00%	-	28.76%	2.56
TVS Toyota Tsusho Supply Chain Solutions Ltd.	3.35%	25.43	16.18%	6.76	0.09%	0.05	76.57%	6.81
White Data Systems India Private Limited	3.68%	27.94	-12.96%	(5.41)	-0.01%	-	-60.98%	(5.41)
Fit 3PL Warehousing Private Limited	4.19%	31.87	7.84%	3.27	-0.16%	(0.08)	35.93%	3.19
<b>Foreign Subsidiaries - (parent's share)</b>								
TVS SCS (Siam) Limited	-0.72%	(5.46)	-2.86%	(1.20)	-0.84%	(0.43)	-18.23%	(1.63)
TVS Logistics Investment USA Inc., USA and its subsidiaries	-19.15%	(145.56)	-6.50%	(2.71)	-30.31%	(15.35)	-203.28%	(18.06)
TVS Logistics Investment UK Limited and its subsidiaries	35.17%	267.29	-50.49%	(21.09)	-1.24%	(0.63)	-244.38%	(21.72)
TVS Supply Chain Solutions Pte. Ltd., Singapore and its subsidiaries	-34.72%	(263.85)	-50.15%	(20.94)	-111.97%	(56.71)	-873.91%	(77.65)
<b>Non-controlling interests in all subsidiaries</b>	4.80%	36.46	4.68%	1.95	0.71%	0.36	26.03%	2.31
<b>Joint venture</b>								
TVS Industrial & Logistics Park Private Limited	13.79%	104.80	11.42%	4.77	0.02%	0.01	53.75%	4.78
Linfox TVS Solutions Pty Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Eliminations	-89.05%	(676.81)	130.09%	54.32	47.68%	24.14	883.22%	78.46
<b>As at March 31, 2023</b>	<b>100.00%</b>	<b>760.02</b>	<b>100.00%</b>	<b>41.76</b>	<b>-100.00%</b>	<b>(50.65)</b>	<b>-100.00%</b>	<b>(8.89)</b>

## Notes to Consolidated Financial Statements

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

### 45 Disclosure pursuant to Ind AS 105 "Non-current assets held for sale and discontinued operations":

#### A. The group had following disposal group recognised as held for sale

##### Disposal group

##### Circle Express Limited, UK

On September 29, 2023, the Group had disposed off its step-down subsidiary "Circle Express Limited, UK" (Circle Express) to an identified buyer for an aggregate consideration of GBP 2.1 million as a strategic sale. Net loss on such disposal amounting to ₹ 38.53 Crores has been disclosed as an exceptional item in the financial results for the year ended March 31, 2024. The Group has treated Circle Express as a discontinued operation.

#### B. Financial performance and cash flow information

	Year ended March 31, 2024	Year ended March 31, 2023
The results of Circle Express Limited, UK are presented below:		
Total Revenues (includes other income)	109.85	241.00
Expense	142.62	246.89
<b>Profit/(loss) before tax from discontinued operation</b>	<b>(32.77)</b>	<b>(5.89)</b>
Tax (expenses)/income	-	-
<b>Profit/(loss) for the period from discontinued operation</b>	<b>(32.77)</b>	<b>(5.89)</b>
<b>Earnings per share:</b>		
Basic	(0.78)	(0.15)
Diluted	(0.78)	(0.15)
<b>The net cash flows incurred by Circle Express Limited, UK are, as follows:</b>		
Net cash inflow/(outflow) from operating activities	(23.60)	(11.17)
Net cash inflow/(outflow) from investing activities	-	3.61
Net cash inflow/(outflow) from financing activities	(9.16)	(5.27)
<b>Net increase/(decrease) in cash generated from discontinued operation</b>	<b>(32.76)</b>	<b>(12.83)</b>

### 46 List of subsidiaries

Name of direct subsidiaries of the Company	Country of incorporation	Ownership interest	
		March 31, 2024	March 31, 2023
TVS SCS Global Freight Solutions Ltd.	India	100.00%	100.00%
FLEXOL Packaging (India) Limited	India	100.00%	100.00%
TVS Packaging Solutions Private Limited	India	100.00%	100.00%
SPC International India Private Limited	India	100.00%	100.00%
TVS SCS (Siam) Limited	Thailand	100.00%	100.00%
TVS Logistics Investment UK Limited	United Kingdom	100.00%	100.00%
TVS Logistics Investments USA Inc.	USA	100.00%	100.00%
TVS Supply Chain Solutions Pte. Ltd., Singapore	Singapore	100.00%	100.00%
TVS Toyota Tsusho Supply Chain Solutions Limited	India	60.00%	60.00%
White Data Systems India Private Limited	India	100.00%	51.00%
Fit 3PL Warehousing Private Limited	India	100.00%	100.00%

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

	Country of incorporation	Ownership interest	
		March 31, 2024	March 31, 2023
<b>Name of step-down subsidiaries</b>			
<b>Subsidiaries of TVS Logistics Investment UK Limited</b>			
TVS Supply Chain Solutions Limited, UK	United Kingdom	100.00%	100.00%
<b>Subsidiaries of TVS Supply Chain Solutions Limited, UK</b>			
Peter Thomas & Co. (Refurbishing) Limited, UK	United Kingdom	100.00%	100.00%
TVS Logistics Iberia S.L., Spain	Spain	100.00%	100.00%
TVS Autoserv GmbH, Germany	Germany	51.00%	51.00%
TVS Supply Chain Solutions GmbH, Germany	Germany	100.00%	100.00%
Rico Logistics Limited, UK	United Kingdom	100.00%	100.00%
<b>Subsidiaries of Rico Logistics Limited, UK</b>			
Ricochet Spain S.L, Spain	Spain	100.00%	100.00%
<b>Subsidiaries of Ricochet Spain S.L, Spain</b>			
Eltec IT Services S.L.U	Spain	100.00%	100.00%
Rico Logistique, France	France	100.00%	100.00%
Rico Logistics Pty Ltd, Australia	Australia	100.00%	100.00%
Circle Express Limited, UK (refer note 48)	United Kingdom	0.00%	95.00%
Tri - Tec Computer Support Limited, Northern Ireland	Northern Ireland	100.00%	100.00%
<b>Subsidiaries of Tri - Tec Computer Support Limited, Northern Ireland</b>			
Tri - Tec Support Limited, Ireland	Ireland	100.00%	100.00%
TVS SCS Rico Italia SRL	Italy	100.00%	100.00%
Triage Holdings Limited	United Kingdom	100.00%	100.00%
<b>Subsidiaries of Triage Holdings Limited</b>			
Triage Service Limited	United Kingdom	100.00%	100.00%
OrderLogic Limited	United Kingdom	100.00%	100.00%
SPC International Limited, UK	United Kingdom	100.00%	100.00%
<b>Subsidiaries of SPC International Limited, UK</b>			
SPCINT Limited, UK	United Kingdom	100.00%	100.00%
SPC International (Engineering) Limited, UK	United Kingdom	100.00%	100.00%
Pitcomp 171 Limited, UK	United Kingdom	100.00%	100.00%
SPC EBT Trustees Limited, UK	United Kingdom	100.00%	100.00%
SPC International Inc., USA	USA	100.00%	100.00%
SPC International s.r.o., Slovakia	Slovakia	100.00%	100.00%
<b>Subsidiaries of TVS Logistics Investments USA Inc.</b>			
TVS America Inc., USA	USA	100.00%	100.00%
TVS Supply Chain Solutions North America Inc., USA	USA	100.00%	100.00%
<b>Subsidiaries of TVS Supply Chain Solutions North America Inc., USA</b>			
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%
<b>Subsidiaries of TVS Supply Chain Solutions Pte. Ltd.</b>			
TVS SCS International Freight (Spain) SLU, Spain	Spain	100.00%	100.00%
<b>Subsidiaries of TVS SCS International Freight (Spain) SLU, Spain</b>			

# Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

	Country of incorporation	Ownership interest	
		March 31, 2024	March 31, 2023
TVS SCS International Pte. Ltd	Singapore	100.00%	100.00%
TVS SCS Singapore Pte. Ltd	Singapore	100.00%	100.00%
<b>Subsidiaries of TVS SCS Singapore Pte. Ltd</b>			
TVS SCS Logistics Ltd	China	100.00%	100.00%
TVS SCS (Korea) Ltd	Korea	100.00%	100.00%
TVS SCS Logistics (Thailand) Limited	Thailand	100.00%	100.00%
TVS SCS Hong Kong Limited	Hong Kong	100.00%	100.00%
Pan Asia Container Line Pte Ltd, Hong Kong	Hong Kong	100.00%	100.00%
TVS SCS Deustschland Gmbh	Germany	100.00%	100.00%
TVS SCS Malaysia Sdn Bhd	Malaysia	100.00%	100.00%
TVS SCS Vietnam Company Limited	Vietnam	95.00%	95.00%
PT Pan Asia Logistics Indonesia	Indonesia	90.00%	90.00%
TVS SCS Taiwan Limited	Taiwan	100.00%	100.00%
Pan Asia Freight-Forwarding & Logistics India Private Limited	India	99.99%	99.99%
TVS Supply Chain Solutions (Thailand) Limited, Thailand	Thailand	100.00%	100.00%
<b>Subsidiaries of TVS Supply Chain Solutions (Thailand) Limited</b>			
TVS SCS Logistics Management Co. Ltd	Thailand	100.00%	100.00%
TVS SCS Phillippines Corporation	Philippines	100.00%	0.00%
TVS Supply Chain Solutions Australia Holdings Pty Ltd	Australia	100.00%	100.00%
<b>Subsidiaries of TVS Supply Chain Solutions Australia Holdings Pty Ltd</b>			
T.I.F. Holdings Pty Ltd, Australia	Australia	100.00%	100.00%
<b>Subsidiaries of T.I.F. Holdings Pty Ltd, Australia</b>			
TVS SCS (Aust) Pty. Ltd., Australia	Australia	100.00%	100.00%
TVS SCS New Zealand Limited, New Zealand	New Zealand	100.00%	100.00%
KAHN Nominees Pty Ltd, Australia	Australia	100.00%	100.00%
TVS SCS International Freight Hong Kong Limited	Hong Kong	100.00%	100.00%
TVS SCS International Freight (Singapore) Pte. Ltd, Singapore (struck off on January 08, 2024)	Singapore	0.00%	100.00%
Transtar International Freight (Shanghai) Limited, China (de-registered on March 13, 2024)	China	0.00%	100.00%
TVS Supply Chain Solutions Holdings Limited (Thailand)	Thailand	100.00%	100.00%
TVS SCS International Freight (Thailand) Limited, Thailand	Thailand	100.00%	100.00%
Transtar International Freight (Malaysia) SD Bhd, Malaysia	Malaysia	100.00%	100.00%

## 47 Undisclosed income

The Group 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)



## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

### 48 Exceptional items - (gain)/loss

	Note	Year ended March 31, 2024	Year ended March 31, 2023
Loss on Issue of CCPS	refer note 29 B & note (i) below	23.17	-
Loss on deconsolidation and sale of step-down subsidiary "Circle Express Limited, UK"	refer note 45	38.53	-
Gain on stake dilution in joint venture	refer note (ii) below	(35.29)	-
IPO Costs charged off	refer note (iii) below	-	10.00
		<b>26.41</b>	<b>10.00</b>

Note:

- (i) Compulsorily Convertible Preference Shares (CCPS) aggregating ₹556.16 Crores were converted into equity shares on July 27, 2023 at a price of ₹167.55 per Equity Share. During the year ended March 31, 2024, fair value changes on conversion of these instruments aggregating ₹23.17 Crores has been expensed off and disclosed as an exceptional item in these financial results. The fair value changes are non-cash and does not entail any cash outflow.
- (ii) On September 30, 2023, the Group had disposed off 8,32,933 shares in its equity accounted investee, "TVS Industrial & Logistics Park Private Limited (TVSILP)" for a consideration of ₹ 51.3 Crores. Gain from the disposal amounting to ₹ 35.3 Crores has been disclosed as an exceptional item.
- (iii) During the year ended March 31, 2023, the Company charged off certain expenses incurred in connection with the initial public offering amounting to ₹ 10.00 crores which are not in the nature of share issue expenses and accordingly disclosed these as exceptional items.

### 49 Benami property

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

### 50 Crypto currency

The Group has not traded or invested Crypto currency during the current year or the preceding year.

### 51 Disclosure on funding transactions

During the year, the Company infused equity amounting to ₹ 262.89 crores, ₹ 275.33 crores and ₹ 186.62 crores into its wholly owned subsidiaries, TVS Logistics Investments UK Limited and TVS Logistics Investments USA Inc., and TVS Supply Chain Solutions Pte. Ltd respectively in its ordinary course of business, which are in compliance with the provisions of Companies Act, 2013 and Foreign Exchange Management Act 1999 and Prevention of Money-Laundering Act, 2002. Of the investments made in TVS Logistics Investments USA, ₹ 220.29 crores were used to settle loans taken from TVS Supply Chain Solutions North America Inc. USA, ₹ 37.02 crores were infused as equity into TVS Supply Chain Solutions North America Inc., USA and ₹18.02 crores were lent to TVS Logistics Investments UK Limited. Regarding the investments made in TVS Supply Chain Solutions Pte. Ltd, ₹ 10.03 crores were further infused in to step subsidiaries to meet funding requirements.

Other than the above, 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 Group 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

## Notes to Consolidated Financial Statements

For the year ended March 31, 2024

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

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

### 52 Subsequent events

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

### 53 Utilisation of IPO Funds

The Company has completed an Initial Public Offer ("IPO") of 4,46,70,050 Equity Shares at the face value of ₹1/- each at an issue price of ₹197/- per Equity Share, comprising of offer for sale of 1,42,13,198 shares by Selling Shareholders and fresh issue of 3,04,56,852 shares. The Equity Shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India limited ("NSE") on August 23, 2023.

The total offer expenses are estimated to be ₹102.97 Crores (inclusive of taxes wherever applicable) which are proportionately allocated between the selling shareholders and the Company as per respective offer size. The utilisation of IPO proceeds of ₹525 Crores (net of provisional IPO expenses of ₹75 Crores which is charged off to securities premium) is summarised below:

Objects of the issue	IPO Proceeds	Utilisation upto March 31, 2024	Unutilised as on March 31, 2024
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company and its Subsidiary, TVS Logistics Investment UK Limited	525.00	524.01	-
General corporate purposes	-	0.99	-
<b>Total</b>	<b>525.00</b>	<b>525.00</b>	<b>-</b>

### 54 Audit Trail

The Company and its subsidiaries incorporated in India and whose financial statements have been audited under the Act have complied with the requirements of audit trail.

In the case of its joint venture TVSILP, the accounting software for maintaining its books of account 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 respective software, except for:

- the feature of recording audit trail (edit log) at the database level to log any direct data changes accounting ERP system was not enabled and
- In respect of the subsidiaries of TVSILP, the feature of recording audit trail (edit log) facility was not enabled for the period from April 1, 2023 to April 9, 2023 at application layer of the accounting software used for maintaining the books of account.

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 Supply Chain Solutions Limited**

**R Dinesh**  
Executive Chairman  
DIN: 00363300

**Ravi Prakash Bhagavathula**  
Chief Financial Officer

**Ravi Viswanathan**  
Managing Director  
DIN: 08713910

**P D Krishna Prasad**  
Company Secretary  
Membership No. 9911

Place: Chennai  
Date: May 27, 2024

## NOTES

## NOTES





**BELIEVE IN THE POWER OF US**

**Registered office:**

10, Jawahar Road, Chokkikulam, Madurai, Tamil Nadu, India - 625002