TVS SCS Global Freight Solutions Limited

FY 2024-25

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED, CHENNAI FOR THE YEAR ENDED 31ST MARCH 2025

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TVS SCS Global Freight Solutions Limited, Chennai ("the company"), which comprise the Balance Sheet as at 31st March 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements gives the information required by the of the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and the profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 41 of the financial statements wherein the management has described about the Scheme of Amalgamation ("Scheme") between various subsidiaries of TVS Supply Chain Solutions Limited (the Holding Company), including TVS SCS Global Freight Solutions Limited, with and into M/s TVS Supply Chain Solutions Limited for which consent was given by the Board of Directors vide their meeting held on 2nd February 2024. The note also describes that the 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 and such other approvals / permissions as may be required under applicable laws, regulations, and guidelines issued by the regulatory authorities. It is further indicated that application has been filed with National Company Law Tribunal, Chennai on 31st March 2025 for merger of the Company with the Holding Company, under the Scheme of Amalgamation. Our opinion is not modified in this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexure to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure –A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

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

    d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.

e. On the basis of the written representations received from the directors as on 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

Managerial remuneration has been paid and provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.

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

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

ii. The Company did not have any long-term contracts including derivative contracts and as such no provision as required under the applicable law or accounting standards for material foreseeable losses is to be made.

iii. There was no requirement on the part of the company to transfer any amount to the Investor Education and Protection fund.

iv.

a. The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

c. Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations (a) and (b) above contain any material mis-statement.

v. The dividend declared / paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

vi. Based on our examination, the Company, has used an accounting software "WiseCloud" which is operated by a third-party software service provider "WiseTech Global", for maintaining its books of account. According to the information and explanation provided to us and based on information and explanation provided by the third party and reports generated from the software and provided to us in respect of audit trail, and based on test check as considered appropriate, the accounting software has a feature of recording Audit Trail (Edit Log) and the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

K.S.Rajagopalan
Partner
Membership No. 23919
Date : 15th May 2025
Place : Madurai
ICAI UDIN: 25023919BMILWH6439

ANNEXURE "A" REFERRED TO IN OUR REPORT UNDER "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS PARA 1" OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2025.

i. (a) In our opinion and according to the information and explanation provided to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company has maintained proper records showing full particulars of Intangible Assets.

(b) In our opinion and according to the information and explanation provided to us, Property, Plant and Equipment are verified physically by the management in accordance with a regular program at reasonable intervals. In our opinion the interval is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not possess any Immovable Property and therefore the question of whether title deeds are held in the name of the Company does not arise.

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

(e) According to the information and explanation provided to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) The Company does not have any inventory and hence the question of maintenance of records and physical verification does not arise.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and in our opinion and according to the information and explanation provided to us, the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

iii. A sum of Rs. 10,600 Lakhs in the nature of short-term unsecured loan to promoter holding company was outstanding at the beginning of the year. Further, the Company has advanced Rs. 4,600 Lakhs and has received repayment of Rs. 1,500 during the Financial Year 2024-25. The balance principal outstanding as on 31st March 2025 amounts to Rs. 13,700 Lakhs.

According to the information and explanations given to us and based on the audit procedures performed by us, the schedule of repayment of principal and payment of interest have been stipulated for loans and advances in the nature of loans, and the repayments of principal amount of loans and receipts of interest have been regular during the year.

According to the information and explanations given to us and based on the audit procedures performed by us, there is no amount overdue of loans and advances in the nature of loans granted by the Company.

According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investment made and the terms and conditions of the grant of loans are not prejudicial to the company's interest.

During the year, the company has not made investments in, provided any guarantee or security or granted any loan or advances in the nature of loans, secured or unsecured, to Companies, firms, Limited Liability Partnerships or any other parties other than what is stated above to firm, Limited Liability Partnerships or other parties.

iv. According to information and explanation given to us, the company has complied with the provisions of Section 185 & 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities wherever applicable.

v. According to information and explanation given to us, the company has not accepted any deposit or amount deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013, during the year.

vi. According to the information and explanations furnished to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under Section 148 of the Companies Act, 2013 are not applicable to the Company for the year under audit.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and any other statutory dues applicable to it.

(b) According to the information and explanation given to us, there are no undisputed amounts payable in respect of Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty and Cess which were in arrears as at 31.03.2025 for a period of more than six months from the date they became payable.

(c) According to information and explanations furnished to us, the following are the details of the disputed dues that were not deposited with the concerned authorities:

Forum Where Dispute is pending	Rupees in Lakhs
Commissioner of Central Excise	65.86
Commissioner (Appeals), GST	61.23

viii. According to the information and explanations given by the management and based on procedures carried out during the course of audit, we have not come across any transactions which were not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. In our opinion and according to information and explanation given to us,

(a) The company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to banks or financial institutions.

(b) The company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) The company has not availed any term loan during the year and therefore the question of reporting on whether the term loans were applied for the purpose for which they were obtained does not arise.

(d) The company has not utilized fund raised on short term basis for long term purposes.

(e) The company does not have subsidiaries, associates, or joint venture and therefore the question of whether the company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures does not arise.

(f) The company does not have subsidiaries, associates, or joint venture and therefore the question of whether the company has raised loans during the year on the pledge of securities held in its subsidiaries, associates, or joint ventures does not arise.

x. According to the information and explanation provided to us, the company has not raised any money by the way of initial public offer or further public offers including debt instruments. The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally convertible) under section 42 of the Companies Act, 2013. Hence, reporting requirements under clause 3(x) of the order is not applicable to the Company.

xi. Based on the audit procedures adopted and information and explanations furnished to us by the management, no fraud on or by the company has been noticed or reported during the year. Hence, the reporting requirement under clause 3(xi)(a) & (b) of the Order does not arise. As represented to us, no whistle-blower complaints were received by the company during the year.

xii. The Company is not a nidhi company. Therefore, reporting requirements under clause 3(xii) of the Order are not applicable to the company.

xiii. (a) In our opinion and according to the information and explanations furnished to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013.

(b) The details of transactions during the year have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards. Refer Note no 39 to financial statements.

xiv. In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business. We have considered the internal audit reports of the company for the period under audit.

xv. In our opinion and according to the information and explanations furnished to us, the company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Companies Act, 2013.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence the reporting requirement under clause 3(xvi) is not applicable to the Company.

xvii. The Company did not incur cash loss during the year or in the immediately preceding financial year.

xviii. There has been no resignation of the Statutory Auditors during the year and accordingly this clause is not applicable.

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

within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. According to the information and explanation provided to us, the Company has fully spent the amount required to be spent towards Corporate Social Responsibility in accordance with Section 135 of the Companies Act, 2013 and accordingly there are no amounts remaining unspent in respect of ongoing project or other than ongoing project which are required to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013.

xxi. The Company is not required to present a Consolidated Financial Statement and hence reporting requirements under Clause 3(xxi) is not applicable to the company.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

K.S.Rajagopalan
Partner
Membership No. 23919
Date : 15th May 2025
Place : Madurai
ICAI UDIN: 25023919BMILWH6439

ANNEXURE "B" TO INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED, CHENNAI FOR THE YEAR ENDED 31ST MARCH 2025

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

We have audited the internal financial controls with reference to financial statements of TVS SCS Global Freight Solutions Limited, Chennai ("the Company") as of 31st March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (hereinafter "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that;

I. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

II. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

III. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

K.S.Rajagopalan
Partner
Membership No. 23919
Date : 15th May 2025
Place : Madurai
ICAI UDIN: 25023919BMILWH6439

TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED
Balance sheet as at 31st March, 2025

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non Current Assets			
Property, plant and equipment	1	73.52	73.01
Capital Work in Progress	1A	-	6.49
Intangible assets	2	2.99	3.69
Right-of-use assets	3	269.74	378.27
Financial assets			
Investment	4	0.00	0.00
Other Financial assets	5	47.43	47.76
Deferred tax assets (net)	6	151.56	105.94
Other non-current assets	7	-	0.39
Total non-current assets		**545.24**	**615.55**
Current Assets			
Financial assets			
Investments	4	-	-
Trade receivables	8	10,582.48	11,660.52
Cash and cash equivalents	10	415.94	1,232.88
Other bank balances	11	3.20	3.00
Deposits and other receivables	12	15.34	11.85
Loans & Advances	13	13,700.00	10,600.00
Other Financial assets	5	-	-
Contract Assets	9	546.42	348.96
Other current assets	7	172.60	153.81
Total current assets		**25,435.98**	**24,011.02**
Total assets		**25,981.22**	**24,626.57**

As per our report of even date attached
For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

For and on behalf of Board of Directors of
TVS SCS Global Freight Solutions Limited

K S Rajagopalan
Partner
Membership No. 023919
Place : Madurai
Date : 15.05.2025
ICAI UDIN : 25023919BMILWH6439

Kameswaran Sukumar
DIN 02546479
Director
Place: Chennai
Date: 14.05.2025

Siddharth Jairaj
DIN 01754852
Whole Time Director
Place: Chennai
Date: 14.05.2025

TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED
Balance sheet as at 31st March, 2025

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	120.00	120.00
Other Equity	15	21,107.64	18,301.16
Total equity		**21,227.64**	**18,421.16**
Liabilities			
Non Current liabilities			
Financial Liabilities			
(i) Lease Liability	3	195.91	280.43
Provisions	17	17.13	10.28
Total non-current liabilities		**213.04**	**290.71**
Current liabilities			
Financial Liabilities			
(i) Borrowings	16	3.10	1.00
(ii) Trade payables	18		
a) Dues of Micro and Small Enterprises		118.10	170.35
b) Dues to Others		3,676.58	5,021.40
(iii)Lease Liability	3	121.34	134.73
(iv) Others	19	151.52	187.46
Other current liabilities	20	127.05	118.70
Provisions	17	36.74	36.61
Current tax liabilities (Net)		306.11	244.45
Total Current Liabilities		**4,540.54**	**5,914.70**
Total Liabilities		**4,753.58**	**6,205.41**
Total Equity and Liabilities		**25,981.22**	**24,626.57**

As per our report of even date attached
For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

For and on behalf of Board of Directors of
TVS SCS Global Freight Solutions Limited

K S Rajagopalan
Partner
Membership No. 023919
Place : Madurai
Date : 15.05.2025
ICAI UDIN : 25023919BMILWH6439

Kameswaran Sukumar
DIN 02546479
Director
Place: Chennai
Date: 14.05.2025

Siddharth Jairaj
DIN 01754852
Whole Time Director
Place: Chennai
Date: 14.05.2025

TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED

Statement of Profit and Loss for the Year ended 31st March, 2025

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

	Note	Year Ended 31 March 2025	Year Ended 31 March 2024
Revenue from operations	21	64,663.95	57,360.22
Other income	22	1,490.28	1,308.40
Total Revenue		**66,154.23**	**58,668.62**
Expenses			
Cost of Operation	23	57,756.65	48,621.64
Employee benefit expense	24	2,252.83	2,201.34
Finance costs	25	51.27	47.18
Depreciation and amortisation expense	1,2 & 3	146.27	173.43
Other expenses	26	1,779.67	1,583.22
Total expenses		**61,986.69**	**52,626.81**
Profit before tax		**4,167.54**	**6,041.81**
Income tax expenses			
Current tax	27	1,145.00	1,552.07
Deferred tax		(40.16)	(8.63)
Income tax expense		**1,104.84**	**1,543.44**
Profit for the Year		**3,062.70**	**4,498.37**
Other Comprehensive income			
Items that will not be reclassified subsequently to statement of profit and loss			
Remeasurements of the defined benefit liability		(21.68)	(13.70)
Income tax relating to items that will not be reclassified to statement of profit and loss			
Remeasurements of the defined benefit liability		5.46	3.45
Net other comprehensive income not to be reclassified subsequently to statement of profit or loss		**(16.22)**	**(10.25)**
Total comprehensive income for the Year		**3,046.48**	**4,488.12**
Earnings per share			
Basic and diluted earnings per share (in Indian Rupees)	34	255.22	374.86

As per our report of even date attached
For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

For and on behalf of Board of Directors of
TVS SCS Global Freight Solutions Limited

K S Rajagopalan
Partner
Membership No. 023919

Place : Madurai
Date : 15.05.2025
ICAI UDIN : 25023919BMILWH6439

Kameswaran Sukumar
DIN 02546479
Director

Place: Chennai
Date: 14.05.2025

Siddharth Jairaj
DIN 01754852
Whole Time Director

Place: Chennai
Date: 14.05.2025

TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED

Statement of changes in equity

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

A Equity Share Capital

Particulars	Note	Amount	No. of shares
Equity shares of Rs. 10 each issued, subscribed and fully paid			
Balance as at 31 March 2023		120.00	12,00,000
Shares issued during the year	14	-	-
Balance as at 31 March 2024		**120.00**	**12,00,000**

B Other equity

	Other equity			
	Reserves and surplus			Total other equity attributable to equity holders of the Company
	Securities premium	General reserve	Retained earnings	
Balance as at 1 April 2023	**80.00**	**316.59**	**13,656.45**	**14,053.04**
Total comprehensive income for the year ended 31 March 2023				
Profit for the year	-	-	4,498.37	4,498.37
Other comprehensive income	-	-	(10.25)	(10.25)
Dividend Paid	-	-	(240.00)	(240.00)
Total comprehensive income	**-**	**-**	**4,248.12**	**4,248.12**
Balance at 31 March 2024	**80.00**	**316.59**	**17,904.57**	**18,301.16**
Total comprehensive income for the Year ended 31 Mar 2024				
Profit for the Year	-	-	3,062.70	3,062.70
Other comprehensive income for the Year	-	-	(16.22)	(16.22)
Dividend Paid	-	-	(240.00)	(240.00)
Total comprehensive income	**-**	**-**	**2,806.48**	**2,806.48**
Balance at 31 March 2025	**80.00**	**316.59**	**20,711.05**	**21,107.64**

As per our report of even date attached
For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

For and on behalf of Board of Directors of
TVS SCS Global Freight Solutions Limited

K S Rajagopalan
Partner
Membership No. 023919
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DIN 01754852
Whole Time Director

Place: Chennai
Date: 14.05.2025

TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED

Cash flow Statement for the Year ended 31st March, 2025

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

		Year Ended 31 March 2025	Year Ended 31 March 2024
Cash flow from Operating activities			
Profit before tax		**4,167.54**	**6,041.81**
Adjustments to reconcile profit before tax to net cash flows:			
Provision on Doubtful debts as no longer required		(122.65)	(88.33)
Provisions and liabilities as no longer required		(0.12)	(20.14)
Other non operating income		(0.91)	(7.15)
Gain on sale of property plant and equipments (net)		-	(0.38)
Interest income		(995.22)	(646.54)
Gain on Sale of Mutual Fund Investment		(5.25)	(201.30)
Depreciation and Amortisation		146.27	173.43
Finance Costs		51.27	47.18
Net gain or Loss on Foreign Currency Transaction		(366.13)	(331.59)
Bad debts written off		51.11	16.88
Provision for doubtful debts		258.65	124.64
Gain on Termination of Leases		-	(12.97)
Provisions in Employee benefit		(14.70)	(22.36)
Operating profit before change in operating assets and liabilities		3,169.86	5,073.18
Change in operating assets and liabilities			
(Increase) / Decrease in trade receivables & contract assets		1,257.06	(3,829.55)
(Increase) / Decrease in non current assets		0.39	0.19
(Increase) / Decrease in other financial assets		0.67	2.41
(Increase) / Decrease in other current assets		(216.25)	(162.59)
Increase / (Decrease) in trade payables & contract liabilities		(1,397.06)	1,305.55
Increase / (Decrease) in other financial liabilities		(34.88)	(15.76)
Increase / (Decrease) in other current and non current liabilities		8.35	26.00
Cash generated from operations		**2,788.14**	**2,399.43**
Income taxes paid		(1,083.34)	(1,476.91)
Net cash flow from operating activities	**A**	**1,704.80**	**922.52**
Cash flows from investing activities			
Purchase of plant, property and equipment		(25.03)	(19.07)
Purchase of intangible assets		-	-
Proceeds from sale of property, plant and equipment		1.85	1.53
Advances to Related Parties (Net of repayments received)		(3,100.00)	(10,600.00)
Purchase of Mutual Fund Investment		6,950.00	25,850.00
Sale of Mutual Fund Investment		(6,944.75)	(25,648.70)
Interest received		991.06	653.39
Net cash flow from investing activities	**B**	**(2,126.87)**	**(9,762.85)**
Cash flows from financing activities			
Proceeds from Borrowings		2.10	0.14
Lease Liability Payments		(105.47)	(109.85)
Finance Costs on Lease Liabilities		(29.83)	(38.29)
Finance Costs		(21.47)	(9.81)
Dividends paid		(240.00)	(240.00)
Net cash flow from financing activities	**C**	**(394.67)**	**(397.81)**

TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED

Cash flow Statement for the Year ended 31st March, 2025

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

	Year Ended 31 March 2025	Year Ended 31 March 2024
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(816.74)**	**(9,238.14)**
Cash and cash equivalents at the beginning of the Year	1,235.88	10,474.02
Cash and cash equivalents at the end of the Year	**419.14**	**1,235.88**
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents	415.94	1,232.88
Other bank balances	3.20	3.00
Balance as per statement of cash flows	**419.14**	**1,235.88**

Note:

There are no non - cash changes in liabilities arising from financing activity in the statement of cash flow.

As per our report of even date attached
For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

For and on behalf of Board of Directors of
TVS SCS Global Freight Solutions Limited

K S Rajagopalan
Partner
Membership No. 023919

Place : Madurai
Date : 15.05.2025
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Kameswaran Sukumar
DIN 02546479
Director

Place: Chennai
Date: 14.05.2025

Siddharth Jairaj
DIN 01754852
Whole Time Director

Place: Chennai
Date: 14.05.2025

TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED

Notes forming part of the financial statements for the year ended 31st March 2025

(All amounts are stated in Lakhs of Indian Rupees, unless otherwise stated)

	1. Property, Plant & Equipment						2. Intangible Assets	
	Plant and machinery	**Furniture and fixtures**	**Vehicles**	**Office equipments**	**Computer**	**Total**	**Computer software**	**Total**
Gross Block								
Balance at 1 April 2023	10.66	71.90	27.11	34.69	145.65	290.01	33.46	33.46
Additions during the year	-	1.41	-	3.16	8.01	12.58	-	-
Disposals during the year	(0.97)	-	-	(2.67)	(0.63)	(4.27)	-	-
Balance at 31 March 2024	**9.69**	**73.31**	**27.11**	**35.18**	**153.03**	**298.32**	**33.46**	**33.46**
Additions during the year	7.31	2.01	-	3.55	18.65	31.52	-	-
Disposals during the year	(1.15)	(2.29)	-	(7.88)	(26.98)	(38.30)	(10.77)	(10.77)
Balance at 31 March 2025	**15.85**	**73.03**	**27.11**	**30.85**	**144.70**	**291.54**	**22.69**	**22.69**
Balance at 1 April 2023	4.62	22.52	24.25	22.25	113.94	187.58	27.87	27.87
Charge for the year	1.10	12.80	0.89	5.98	20.08	40.85	1.90	1.90
Disposals during the year	(0.47)	-	-	(2.16)	(0.49)	(3.12)	-	-
Balance at 31 March 2024	**5.25**	**35.32**	**25.14**	**26.07**	**133.53**	**225.31**	**29.77**	**29.77**
Charge for the period	1.15	9.90	0.61	4.69	12.81	29.16	0.70	0.70
Disposals during the year	(1.06)	(2.17)	-	(7.34)	(25.88)	(36.45)	(10.77)	(10.77)
Balance at 31 March 2025	**5.34**	**43.05**	**25.75**	**23.42**	**120.46**	**218.02**	**19.70**	**19.70**
Carrying amount (net)								
Balance at 31 March 2024	**4.44**	**37.99**	**1.97**	**9.11**	**19.50**	**73.01**	**3.69**	**3.69**
Balance at 31 Mar 2025	**10.51**	**29.98**	**1.36**	**7.43**	**24.24**	**73.52**	**2.99**	**2.99**

Note 1A : Capital Work In Progress

	Amounts in Capital Work in Progress for the period of				
Projects in Progress	**Less than 1 year**	**1 - 2 Years**	**2 - 3 Years**	**More than 3 Years**	**Total**
For the year Ended 31 March 2025	-	-	-	-	**-**
Completion due dates for the Above	-	-	-	-	-
For the year Ended 31 March 2024	6.49	-	-	-	**6.49**
Completion due dates for the Above	6.49	-	-	-	**6.49**

3 Right of use assets

a Leases Comprises Lease of Buildings

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

	Building
Net carrying amount	
Balance as at 1st April 2023	518.28
Additions	70.12
Reversals (less)	(79.45)
Amortisation (less)	(130.68)
Currency translation and others	
Balance as at 31st March 2024	378.27
Balance as at 1st April 2024	378.27
Additions	7.88
Reversals (less)	-
Amortisation (less)	(116.41)
Currency translation and others	
Balance as at 31st Mar 2025	269.74

c Set out below are the carrying amounts of lease liabilities and the movement during the year

	31 March 2025	31 March 2024
Balance at the beginning of the year	415.16	547.09
Additions	7.56	67.05
Accretion of interest	29.83	38.29
Payments	(135.30)	(148.14)
Reversals	-	(89.13)
Balance at the end of the year	**317.25**	**415.16**
Current	**121.34**	**134.73**
Non - Current	**195.91**	**280.43**

d The following are recongnised in the statement of profit and loss

	31 March 2025	31 March 2024
Amortisation expenses of right of use assets	116.41	130.68
Interest expenses on lease liabilities	29.83	38.29
Expenses relating to short term leases	39.53	10.96
Expenses relating to leases of low value assets	-	-
Variable lease payments	-	-
Total Expense recognised in the statement of profit and loss	**185.77**	**179.93**
Notional Interest Income on Security deposit	4.16	3.91
Gain or Loss on Termination / Modification of Lease	-	12.97
Total Income recognised in the statement of profit and loss	**4.16**	**16.88**

4 Investments

	As at 31 March 2025	As at 31 March 2024
Non Current		
Investments in Equity Shares of TVS Supply Chain Solutions Pte Ltd * [5 shares @ SGD 1 each Amounting to Rs. 352 (Previous Year :Rs. 270)]	0.00	0.00
	0.00	**0.00**
* Cost treated as Fair value		
Current		
Investments at Fair Value Through Profit and Loss (FVTPL)		
Investments in Mutual Funds	-	-

5 Other Financial Assets

	As at 31 March 2025	As at 31 March 2024
Non Current		
Security deposit	42.43	42.56
Bank deposits with original maturity more than 12 months *	5.00	5.20
	47.43	**47.76**

6 Deferred tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Deferred income tax assets		
Property plant and equipment	13.54	12.82
Accrued compensation to employees	22.32	15.95
Others	115.70	77.17
	151.56	**105.94**

7 Other assets

	As at 31 March 2025	As at 31 March 2024
Non-current		
Advances other than capital advances		
Prepaid expenses	-	0.39
	-	**0.39**
Current		
Advances recoverable in cash or kind	62.60	42.84
Prepaid expenses	36.61	37.90
Deferred CSR Expenditure	-	7.50
Balances with statutory and government authorities	73.39	65.57
	172.60	**153.81**

8 Trade receivables (Current)

	As at 31 March 2025	As at 31 March 2024
Unsecured, Considered Good	10,582.48	11,660.52
Unsecured, Considered Doubtful	349.18	213.18
Less : Provisions for Bad & Doubtful debts	(349.18)	(213.18)
	10,582.48	**11,660.52**

Trade Receivables Ageing schedule

Outstanding for the following periods from the due date of payment for the Year ended 31st March 2025

Particulars	Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 years	More than 3 years	Total
Undisputed						
Considered Good	10,014.11	568.10	0.27	-	-	10,582.48
Considered Doubtful	-	199.67	65.15	10.80	73.55	349.18
Disputed						
Considered Good	-	-	-	-	-	-
Considered Doubtful	-	-	-	-	-	-

Outstanding for the following periods from the due date of payment for the Year ended 31st March 2024

Particulars	Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 years	More than 3 years	Total
Undisputed						
Considered Good	11,400.04	260.35	0.13	-	-	11,660.52
Considered Doubtful	-	76.82	48.40	17.36	70.60	213.18
Disputed						
Considered Good	-	-	-	-	-	-
Considered Doubtful	-	-	-	-	-	-

9 Contract Assets

	As at 31 March 2025	As at 31 March 2024
Advance for supply of goods and services	412.05	293.72
Unbilled Revenue	134.37	55.24
	546.42	**348.96**

Outstanding for the following periods for the Year ended 31st March 2025

Particulars	Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 years	than 3 years	Total
Undisputed						
Considered Good	546.42	-	-	-	-	546.42
Considered Doubtful	-	-	-	-	-	-
Disputed						
Considered Good	-	-	-	-	-	-
Considered Doubtful	-	-	-	-	-	-

Outstanding for the following periods for the Year ended 31st March 2024

Particulars	Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 years	More than 3 years	Total
Undisputed						
Considered Good	348.96	-	-	-	-	348.96
Considered Doubtful	-	-	-	-	-	-
Disputed						
Considered Good	-	-	-	-	-	-
Considered Doubtful	-	-	-	-	-	-

10 Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Balance with banks - in current account	415.94	1,232.88
Cheques on hand	-	-
Deposits with Banks (Less than 3 months maturity)	-	-
Cash and cash equivalents in balance sheet	**415.94**	**1,232.88**

11 Other bank balances

	As at 31 March 2025	As at 31 March 2024
Balance with Bank (with more than three months and less than twelve months maturity)	3.20	3.00
	3.20	**3.00**

*Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments

12 Deposits and other receivables (Current)

	As at 31 March 2025	As at 31 March 2024
Security deposit	15.34	11.85
	15.34	**11.85**

13 Loans & advances (Current)

	As at 31 March 2025	As at 31 March 2024
Loan to Holding Company (TVS Supply Chain Solutions Ltd)		
Unsecured, Considered Good	13,700.00	10,600.00
	13,700.00	**10,600.00**

Disclosure for the loans & advances given to promoters, directors, KMPs and related parties

Borrower	As at 31 March 2024		As at 31 March	
	Loan O/s	% of Loan o/s	Loan O/s	% of Loan o/s
Promoter	13,700.00	100%	10,600.00	0%

14 Equity Share Capital

	As at 31 March 2025	As at 31 March 2024
Authorised		
3,000,000 (31 March 2022 3,000,000) equity shares of Rs. 10 each	300.00	300.00
Issued, Subscribed and Paid-up		
1,200,000 (31 March 2022 1,200,000) equity shares of Rs. 10 each	120.00	120.00

Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	31 March 2025		31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares				
At the commencement of the year	12,00,000	120.00	12,00,000	120.00
Shares issued for cash	-	-	-	-
At the end of the year	**12,00,000**	**120.00**	**12,00,000**	**120.00**

Rights, preferences and restrictions attached to equity shares

The Company has one class of Equity Shares having a par value of Rs.10/- each. Each Shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of Shareholders in the ensuing General Meeting, except in case of interim dividend. In the unlikely event of liquidation of the company, the Equity Share holders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

Particulars of shareholders holding more than 5% of shares of a class of shares during the Year

	31 March 2025		31 March 2024	
	Number of shares	% holding	Number of shares	% holding
TVS Supply Chain Solutions Limited	11,99,994	100.00%	11,99,994	100.00%

Share holding of Promoters for the Period ended 31 March 205

At the Year Beginning	At the Year End	Percentage at Year end	Percentage Change during the Year
11,99,994	11,99,994	100.00%	0.00%

Share holding of Promoters for the Year ended 31 March 2024

At the Year Beginning	At the Year End	Percentage at Year end	Percentage Change during the Year
11,99,994	11,99,994	100.00%	0.00%

15 Other equity

	As at 31 March 2025	As at 31 March 2024
Securities Premium	80.00	80.00
General Reserve	316.59	316.59
Retained Earnings	20,711.05	17,904.57
	21,107.64	**18,301.16**

Securities Premium
Securities Premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve
General Reserve represent accumulated profits earned by the Company.

Retained Earnings
Retained earnings represent accumulated profits earned by the Company till date, less dividends or other distributions paid to shareholders.

Dividends

	As at 31 March 2025	As at 31 March 2024
Final Dividend of FY 22-23 INR 20 per equity share	-	240.00
Final Dividend of FY 23-24 INR 20 per equity share	240.00	-
	240.00	**240.00**

16 Borrowings

Current	As at 31 March 2025	As at 31 March 2024
Other Dues to Bank *	3.10	1.00
	3.10	**1.00**

* Credit card Dues

A. Information about the Company's exposure to interest rate, foreign currency and liquidity risk is included in Note 32.

B. 1. The company has a Credit facility of Rs.1500 lakhs (Previous year Rs.1500 Lakhs) which was secured by a charge over book debts. However, the Credit facility was Unused on 31-03-25 and 31-03-24.
2. The company has availed Credit card facility for Rs.15 lakhs. The amount remaining unused as at 31-03-25 is Rs. 11.9 Lakhs (Previous year 9 Lakhs)
3. There are no discrepancies between the monthly declaration submitted to the bank and the books of accounts.
4. Borrowings were used for the purpose for which they were obtained.
5. The Company is not declared as a wilful defaulter by any bank or financial institution.

17 Provisions

	Non-current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Provisions for employee benefits				
Liability for gratuity	9.54	4.01	-	-
Liability for compensated absences -	7.59	6.27	0.52	0.39
Total provision for employee benefits	**17.13**	**10.28**	**0.52**	**0.39**
Other provisions				
Provision for service tax	-	-	36.22	36.22
Total other provisions	**-**	**-**	**36.22**	**36.22**
Total provisions	**17.13**	**10.28**	**36.74**	**36.61**

The Company operates the following post-employment defined benefit plans:

The Company has a defined benefit gratuity plan in India (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee at the time of retirement, death or termination of employment. Liabilities for the same are determined through an actuarial valuation as at the reporting dates using the "projected unit cost

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

A. Funding

The gratuity plan of the Company is funded. The funding requirements of the Company are managed by the insurer. Employees do not contribute to the plan.

The Company has determined that, in accordance with the terms and conditions of the gratuity plan, and in accordance with statutory requirements (including minimum funding requirements) of the plan of the relevant jurisdiction, the present value of the plan assets are adequate.

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

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

Reconciliation of present value of defined benefit obligation	**Gratuity**		**Leave Salary**	
	As at 31 March 2025	**As at 31 March 2024**	**As at 31 March 2025**	**As at 31 March 2024**
Balance at the beginning of the year	319.56	264.74	6.66	5.76
Benefits paid	(11.01)	(13.83)	(23.94)	(21.58)
Current service cost	35.87	34.16	14.20	12.33
Past service cost	-	-	-	-
Interest cost	22.34	19.18	0.47	0.42
Actuarial (gains)/losses recognised in other comprehensive income	24.07	15.31	10.73	9.73
Balance at the end of the year	**390.83**	**319.56**	**8.11**	**6.66**
Reconciliation of the Fair value of plan assets				
Balance at the beginning of the year	315.54	251.17	-	-
Interest income	22.05	18.17	-	-
Contributions paid into the plan	52.31	58.43	-	-
Benefits paid	(11.01)	(13.83)	-	-
Actuarial gains/(losses) recognised in other comprehensive income	2.39	1.60	-	-
Balance at the end of the year	**381.28**	**315.54**	**-**	**-**
Net defined benefit (liability)	**9.55**	**4.02**	**8.11**	**6.66**

C. Expense/ (income) recognised in the statement of profit or loss

	Year ended 31 Mar 2025	Year ended 31 Mar 2024	Year ended 31 Mar 2025	Year ended 31 Mar 2024
Current service cost	35.87	34.16	14.20	12.33
Interest cost	0.30	1.02	0.47	0.42
Net Actuarial (Gain)/loss recognised in the year			10.73	9.73
	36.17	**35.18**	**25.40**	**22.48**

Remeasurements recognised in other comprehensive income

	Year ended 31 Mar 2025	Year ended 31 Mar 2024	Year ended 31 Mar 2025	Year ended 31 Mar 2024
Actuarial gain on defined benefit obligations	21.68	13.70	-	-
	21.68	**13.70**	**-**	**-**

Retirement benefit in the form of Gratuity Liability (being administrated by State Bank of India) is a defined obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year.

D. Amount Recognised in Balance sheet

	Year ended 31 Mar 2025	Year ended 31 Mar 2024	Year ended 31 Mar 2025	Year ended 31 Mar 2024
Present value of the obligation				
Current	-	-	0.52	0.39
Non Current	9.55	4.02	7.59	6.27
	9.55	**4.02**	**8.11**	**6.66**

E. Defined benefit obligation

	Year ended 31 Mar 2025	Year ended 31 Mar 2024	Year ended 31 Mar 2025	Year ended 31 Mar 2024
i. Actuarial assumptions	**Gratuity**		**Leave Salary**	
Principal actuarial assumptions at the reporting date				
Discount rate	6.81%	7.21%	6.81%	7.21%
Future salary growth	8.00%	8.00%	8.00%	8.00%
Attrition rate	3.00%	3.00%	3.00%	3.00%
Age of retirement	58yrs	58yrs	58yrs	58yrs

ii. Sensitivity analysis

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

	Gratuity		Leave Salary	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
A. Discount Rate + 50 BP	5.11%	5.26%	5.60%	5.60%
Defined Benefit Obligation [PVO]	370.86	302.73	7.66	6.29
B. Discount Rate - 50 BP	5.51%	5.69%	6.10%	6.10%
Defined Benefit Obligation [PVO]	412.37	337.74	8.61	7.07
C. Salary Escalation Rate +50 BP	4.97%	5.39%	6.23%	6.26%
Defined Benefit Obligation [PVO]	410.23	336.79	8.62	7.08
D. Salary Escalation Rate -50 BP	4.76%	5.20%	5.77%	5.80%
Defined Benefit Obligation [PVO]	372.22	302.94	7.65	6.27
iii. Expected Benefit Payments in Following Years [mid-year cash flows]				
Year 1	23.01	19.31	0.52	0.39
Year 2	14.20	9.86	0.27	0.21
Year 3	14.25	12.66	0.35	0.25
Year 4	18.31	12.90	0.30	0.49
Year 5	32.67	17.10	0.35	0.37
Next 5 Years	142.22	118.67	2.84	2.21

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

18 Trade payables (Current)

	As at 31 March 2025	As at 31 March 2024
Dues to Micro and Small Enterprises	118.10	170.35
. Dues to others	3,676.58	5,021.40
	3,794.68	**5,191.75**

Note: The parties are classified as Micro and Small Enteriprises to the extent identified.

Trade Payables Ageing schedule

Outstanding for the following periods from the due date of payment for the Year ended 31st Mar 2025

Particulars	Less than 1 Year	1 - 2 Years	2 - 3 years	More than 3 years	Total
Undisputed					
MSME	118.10	-	-	-	**118.10**
Others	3,671.78	3.75	1.05	-	**3,676.58**
Disputed					
MSME	-	-	-	-	-
Others	-	-	-	-	-

Outstanding for the following periods from the due date of payment for the Year ended 31st March 2024

Particulars	Less than 1 Year	1 - 2 Years	2 - 3 years	More than 3 years	Total
Undisputed					
MSME	170.35	-	-	-	**170.35**
Others	5,020.24	1.16	-	-	**5,021.40**
Disputed					
MSME	-	-	-	-	-
Others	-	-	-	-	-

Additional Information under Micro,Small and Medium Enterprises Development Act, 2001 *

	As at 31 March 2025	As at 31 March 2024
i. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	119.05	171.27
ii. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii. The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	0.95	0.92
iv The amount of interest accrued and remaining unpaid at the end of each accounting year / period	0.95	0.92
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

* The above disclosures have been provided based on the information available with the Company in respect of the registration status of its Vendors / Service Providers.

19 Other financial liabilities

	As at 31 March 2025	As at 31 March 2024
Other financial liabilities at amortised cost		
Due to employees	150.57	186.54
Accrued Interest	0.95	0.92
	151.52	**187.46**

20 Other current liabilities

	As at 31 March 2025	As at 31 March 2023
Statutory dues	127.05	118.70
	127.05	**118.70**

21 Revenue from operations

	Year ended 31 March 2025	Year ended 31 March 2024
Sale of services		
Income from clearing and forwarding services	64,663.95	57,360.22
	64,663.95	**57,360.22**

22 Other income

	Year ended 31 March 2025	Year ended 31 March 2024
Interest income	995.22	646.54
Gain on sale of units of Mutual Fund	5.25	201.30
Provision and liabilities no longer Required	0.12	20.14
Provision for doubtful debts reversed	122.65	88.33
Exchange difference gain (net)	366.13	331.59
Net gain on sale of property, plant and equipment	-	0.38
Gain on Termination of Leases	-	12.97
Other non operating income	0.91	7.15
	1,490.28	**1,308.40**

23 Cost of Operations

	Year ended 31 March 2025	Year ended 31 March 2024
Freight charges	43,065.03	35,347.27
Clearing forwarding and handling charges	14,691.62	13,274.37
	57,756.65	**48,621.64**

24 Employee benefit expenses

	Year ended 31 March 2025	Year ended 31 March 2024
Salaries wages and Bonus	1,996.64	1,972.32
Contribution to provident and other funds	92.20	89.90
Expenses related to post-employment defined benefit plans	36.16	35.17
Expenses related to compensated absences	25.40	22.48
Staff welfare expenses	102.43	81.47
	2,252.83	**2,201.34**

25 Finance costs

	Year ended 31 March 2025	Year ended 31 March 2024
Interest expenses	51.27	47.18
	51.27	**47.18**

26 Other expenses

	Year ended 31 March 2025	Year ended 31 March 2024
Power and fuel	18.08	17.92
Rent	43.56	13.33
Rates and taxes	13.70	65.09
Insurance	79.56	87.12
Repairs and maintenance		
Plant and machinery	5.21	4.20
Others	396.70	335.55
Donation & Charity	3.00	3.00
Advertisement and business promotion	48.46	57.15
Travel and conveyance	150.13	157.41
Communication expenses	25.85	28.19
Printing and stationery	11.34	11.99
Remuneration to Auditors	12.03	15.50
Legal and professional charges	116.46	128.91
Corporate Social Responsibility Expenses (Refer note 'b' below)	121.99	93.43
Security services	11.37	11.94
Bad debts written off	51.11	16.88
Provision for doubtful debts	258.65	124.64
Management fees	383.22	373.20
Factoring charges	-	7.93
Net loss on sale of property, plant and equipment	1.84	-
Miscellaneous expenses	27.41	29.84
	1,779.67	**1,583.22**

a. Remuneration to Auditors

	Year ended 31 March 2025	Year ended 31 March 2024
Statutory audit	5.00	5.00
Interim Audit fee	3.00	4.25
Fee for Restated Summary Statements	-	1.25
Tax audit	1.00	1.00
Fee for Certifications	2.53	1.75
Reimbursement of expenses	0.50	0.50
	12.03	**13.75**

b. Details of corporate social responsibility expenditure

	Year ended 31 March 2025	Year ended 31 March 2024
(a) amount required to be spent by the company during the year	121.99	93.43
(b) amount of expenditure incurred	121.99	100.93
(c) shortfall at the end of the year	-	-
(d) total of previous years shortfall	-	-
(e) reason for shortfall,	-	-

	Year ended 31 March 2025	Year ended 31 March 2024
(f) nature of CSR activities		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-
- Skill Development	-	-
- Women's Welfare	-	-
- Medical Support to Elder People	26.00	17.20
- Rural Development	15.00	11.65
- Flood Relief	-	5.00
- Contribution for Educational Development	12.00	13.93
- Swatch Baharat	9.50	10.00
- Tree Plantation	26.24	15.48
- Wildlife Support	6.00	3.00
- Eradicating Hunger	17.25	24.67
- Others	10.00	-
Total Amount Spent	**121.99**	**100.93**
Less : Amount proposed to be set-off in subsequent years from excess spent	-	(7.50)
CSR Expenditure for the year	**121.99**	**93.43**
(g) details of related party transactions, e.g., contribution to a trust controlled by the company / to a related company in relation to CSR expenditure as per relevant Accounting Standard	-	-
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	-	-

27 Income tax

A. Amount recognised in the statement of profit and loss

	Year ended 31 March 2025	Year ended 31 March 2024
Current tax		
Current year *	1,145.00	1,552.07
Total current tax expense	**1,145.00**	**1,552.07**
* Includes Reversals relating to earlier years : Rs. 17.94 Lakhs		
Deferred tax		
Origination and reversal of temporary difference	(40.16)	(8.63)
Total deferred tax expense / (benefit)	**(40.16)**	**(8.63)**
	1,104.84	**1,543.44**

B. Income tax recognised in other comprehensive income

Particulars	Year ended 31 March 2025			Year ended 31 March 2024		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Remeasurement of defined benefit liability (asset)	21.68	(5.46)	16.22	13.70	(3.45)	10.25

C. Reconciliation of effective tax rate

	Year ended 31 March 2025	Year ended 31 March 2024
Profit before tax	4,167.54	6,041.81
Statutory Income tax @ 25.168%	1,048.88	1,520.59
Tax effects of amount which are not deductible (taxable) in calculating taxable income:		
Effect of Depreciation claim	8.90	8.90
Effect of Allowances/Disallowances	87.22	22.58
Deferred Tax Impact on above	(40.16)	(8.63)
Income tax expense	1,104.84	1,543.44
Tax effect on OCI component	(5.46)	(3.45)
Total Tax Expense	1,099.38	1,539.99
Effective tax rate	26.38%	25.49%

Movement in temporary differences of Deferred Tax

Particulars	Opening Balance	Recognized In Profit and Loss	Recognized In OCI	Balance as at 31 Mar 2025
Property, plant and equipment	12.82	0.72		13.54
Provision - employee benefits	15.95	0.91	5.46	22.32
Provision - others	64.15	38.53		102.68
Right Of Use Assets & Lease Liabilities	13.03	-		13.03
	105.94	**40.16**	**5.46**	**151.56**

Note: The Company has not recognized Deferred tax on temporary differences arising from disallowances on account of

Significant Accounting policies and Notes on Accounts

28 Company Overview

TVS SCS Global Freight Solutions Limited ("the Company") is a company incorporated in India (on 19 July 2007) and is engaged in providing end to end Freight Forwarding and Logistics solutions to customers in Automotive, Engineering, Pharmaceuticals, Telecommunication and General Cargo sectors. The registered office of the company is situated at No 58, Eldams road, Teynampet, Chennai - 600 018.

29 Application of Indian Accounting Standards

All the Indian Accounting Standards issued and notified upto 31st March 2025 by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 amended from time to time have been considered in preparing these financial statements.

30 Basis of preparation

A Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

B Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All values are rounded off to the nearest two decimal lakhs except otherwise stated.

C Basis of measurement

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

Items	Measurement basis
Financial assets and liabilities	Fair Value / Amortised cost
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

D Estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

i. Use of estimates and judgements

The preparation of the Company's Financial Statements requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

ii. Depreciation / Amortisation and useful lives of Property Plant and Equipment / Intangible Assets

Property, Plant and Equipment/ Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's past experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

iii. Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iv. Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

v. Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units CCGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

vi. Impairment of Financial Assets

The impairment provisions for financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

E Measurement of fair values

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

The Company has used fair valuation method which involves developing estimates and assumptions consistent with how the market participants would price the instrument. Management has based its assumptions on observable data as far as possible, but where it is not available, the management uses the best information available. Estimated fair values may vary from the actual prices that would be acheived in an Arm's Length Transaction at the reporting date.

31 Significant accounting polices

A. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences are recognised in the statement of profit and loss.

Where Forward contracts are entered into, transactions are accounted at equivalent rupee values at the agreed forward contract rates. The difference on account of fluctuation at the rate of exchange prevailing on the date of transaction and the date of realization is treated as revenue.

B Financial instruments

i. Recognition and initial measurement

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

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

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

- Amortised cost;
- Fair Value Through Profit and loss
- Fair Value Through Other Comprehensive Income

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

A financial asset is measured at amortised cost if it meets both of the following conditions :

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Subsequent Measurement:

Financial assets

For the purpose of subsequent measurement financial assets are classified and measured based on the entity's business model for managing the financial asset and contractual cashflow characteristics of the financial assets :

Financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

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

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or Fair Value Through Profit & Loss statement (FVTPL). Foreign exchange gains and losses are recognised in the statement of profit and loss.

iii. Derecognition of financial asset

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

De-recognition of financial liabilities

A financial liability is de-recognised when and only when it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

iv. Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

C Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

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

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

ii. Subsequent expenditure

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

iii. Depreciation

All property, plant and equipment are depreciated on the written down value method by adopting useful life specified in Schedule II to the Companies Act 2013.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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

iv. Capital Work in Progress

The Expenditure on Fixed assets that are in the process of Completion and are not ready for their intended use are recorded under Capital Work in Progress.

The Company conducts review of all assets under Capital work in progress to assess their readiness for their intended use and their removal from Capital Work in Progress.

D Intangible assets

i. Recognition and measurement

Intangible assets acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

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

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation expenditure in the Statement of Profit and Loss.

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

E Impairment

i. Impairment of financial instruments

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired.

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost (primarily consisting of trade receivables).

ii. Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

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

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

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

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

F Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are expensed as the related services are provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme, Employees State Insurance Scheme and a gratuity fund to SBI Life Insurance Co.Ltd. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined benefit plans

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

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

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

iv. Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

G Provisions and Contingent Liability

i. Provisions (other than for employee benefits):

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in provision due to passage of time is recognised as interest expense.

ii. Contingent Liability:

Whenever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurance or non occurance of one or more uncertain future events not wholly within the control of the entity or present obligation that arises from past events but is not recognised because

a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
b) the amount of obligation cannot be measured with sufficient realibility are considered as contingent liability.

H Revenue

Revenue from contracts with customers (Rendering of services)

Revenue from Freight Forwarding Services are recognised when the relevant services are rendered and in accordance with the terms of the agreement with the customers.Revenue is recognised when no significant uncertainty exists regarding the collection of the consideration. The amount recognised as revenue is net of taxes and discounts.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than the passage of time. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

I Leases

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

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date.

The right of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including insubstance fixed payments;

The lease liability is measured at amortised cost using the effective interest method.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straightline basis over the lease term. The Company's leases mainly comprise land and buildings and Plant and equipment. The Company leases land and buildings for warehouse facilities.

All leases other than included above are of either low value or cancellable at the option of lessee.

J Recognition of interest Income / Dividend Income :

Interest income is recognised using the time proportion method based on the rates implicit in the transaction. Interest income is recognised in the statement of profit and loss under other income.

Dividend income if any is recognised only when the right to receive is established.

K Income tax

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

i. Current tax

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

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

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

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

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

L Earnings Per Share

Basic Earnings per share is calculated by dividing the profit attributable to the equity shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted Earnings per share is calculated by making adjustments to the profit attributable to the equity shareholders and the weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares if any.

M Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

N Cash Flow Statement

Cash flows are presented using indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company is segregated based on the available information.

32. Financial instruments - Fair values and risk management

A. Accounting classifications and fair value

Particulars	31 March 2025				31 March 2024			
	FVTPL	FVTOCI	Amortised cost	Carrying Value	FVTPL	FVTOCI	Amortised cost	Carrying Value
Financial assets								
Trade receivables	-	-	-	10,582.48	-	-	-	11,660.52
Security deposits	-	-	-	57.77		-	-	54.41
Bank deposits	-	-	-	5.00		-	-	5.20
Cash and cash equivalents	-	-	-	415.94		-	-	1,232.88
Other bank balances	-	-	-	3.20		-	-	3.00
Other financial assets	-	-	-	-		-	-	-
Loans & Advances	-	-	-	13,700.00		-	-	10,600.00
Investments	-	0.00	-	0.00	-	0.00	-	0.00
Total financial assets	**-**	**0.00**	**-**	**24,764.39**	**-**	**0.00**	**-**	**23,556.01**
Financial liabilities								
Finance lease obligations	-	-	-	-		-	-	-
Trade payables	-	-	-	3,794.68		-	-	5,191.75
Other financial liability	-	-	-	151.52		-	-	187.46
Lease Liability			317.25	317.25	-	-	415.16	415.16
Credit Card Liabilities				3.10		-	-	1.00
Total financial liabilities	**-**	**-**	**317.25**	**4,266.55**	**-**	**-**	**415.16**	**5,795.37**

Note: The Company has not disclosed fair values of financial instruments such as trade receivables, cash and bank balances, other financial assets, trade payables and other financial liability because their carrying amounts are reasonable approximations of their fair values.

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Level 3	As at 31 March, 2025	As at 31 March, 2024
Investment through FVTOCI [Rs. 352 (Previous Year: Rs.270)]	0.00	0.00
Level 1		
Investments through	-	-

Financial assets and liabilities measured at amortised cost

The Company has not disclosed the fair values for financial instruments measured at amortised costs as their carrying amounts are a reasonable approximation of fair value.

C. Financial risk management

Risk management framework

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

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

The Company has exposure to the following risks arising from financial instruments:
- market risk
- liquidity risk; and
- credit risk;

i. Market risk

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

Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of an exposure will fluctuate because of changes in Foreign currency exchange rate. The Company operates internationally and exposed to foreign exchange risk arising from foreign currency transaction mainly with respect to US$

The following table analyzes foreign currency risk from financial instruments:

Particulars	As at 31 Mar 2025			As at 31 March 2024		
	USD	EUR	Others	USD	EUR	Others
Financial assets:						
Trade receivables	3,241.31	80.90	23.95	3,672.28	85.35	58.63
Cash and cash equivalents	324.31	18.39	3.17	105.87	30.48	-
Financial liabilities:						
Trade payables	(1,987.43)	(301.62)	(465.64)	(3,463.52)	(240.50)	(263.27)
Net assets / (liabilities)	**1,578.20**	**(202.33)**	**(438.52)**	**314.63**	**(124.67)**	**(204.64)**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar against INR at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit / (loss)	
	Strength-ening	**Weakening**
31 Mar 2025	15.78	(15.78)
USD (1% movement)		
31 March 2024		
USD (1% movement)	23.29	(23.29)
31 Mar 2025		
EUR (1% movement)	(2.02)	2.02
31 March 2024		
EUR (1% movement)	(0.23)	0.23

Interest rate risk

The Company has only fixed rate instrument i.e. finance lease facility being used for cash management purposes. Since the Company has only fixed rate instruments, the Company's exposure to interest rate risk is insignificant.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	As at 31 March 2025	**As at 31 March 2024**
Fixed rate instruments		
Financial liabilities- Finance lease obligation	-	-
	-	-

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

Exposure to liquidity risk

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

31 Mar 2025		**Contractual cash flows**					
Particulars	**Carrying amount**	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non derivative financial liabilities							
Trade payables	3,794.68	3,794.68	3,794.68	-	-	-	-
Other financial liabilities	151.52	151.52	151.52	-	-	-	-
Lease Liability	317.25	355.99	61.82	61.82	121.34	111.01	-
	4,263.45	**4,302.19**	**4,008.02**	**61.82**	**121.34**	**111.01**	**-**

31 March 2024		Contractual cash flows					
Particulars	**Carrying amount**	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non derivative financial liabilities							
Trade payables	5,191.75	5,191.75	5,191.75	-	-	-	-
Other financial liabilities	187.46	187.46	187.46	-	-	-	-
Lease Liability	415.16	482.62	67.37	67.37	120.86	227.02	-
	5,794.37	**5,861.83**	**5,446.58**	**67.37**	**120.86**	**227.02**	**-**

iii. Credit risk

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

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

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

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

	Carrying amount	
	As at 31 March 2025	**As at 31 March 2024**
Trade receivables	10,582.48	11,660.52
Total trade and other receivables	**10,582.48**	**11,660.52**
Security deposits	57.77	54.41
Bank deposits	5.00	5.20
Cash and cash equivalents	415.94	1,232.88
Other bank balances	3.20	3.00
Total	**11,064.39**	**12,956.01**

Trade and other receivables

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

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

The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available press information about customers. In order to calculate the loss allowance, loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency through write-off. Roll rates are calculated separately for exposures in different stages of delinquency primarily determined based on the time period for which they are past due.

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

Particulars	As at 31 March 2025	As at 31 March 2024
TVS Motor Company Limited	1,631.14	-
Eicher Motors Ltd	1,370.82	-
Wheels India Limited	843.25	1,350.60
	4,913.88	2,436.61

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

As at 31 March 2025

	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit - impaired
Not due	4,456.54	0.00%	-	No
Past due 1-90 days	4,684.44	0.00%	-	No
Past due 90-180 days	872.62	0.00%	-	No
Past due 181-270 days	456.02	12.62%	57.53	Yes
Past due 271-365 days	311.75	45.59%	142.14	Yes
Past due for more than 365 days	149.78	99.82%	149.50	Yes
Total	**10,931.16**		**349.18**	

As at 31 March 2024

	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit - impaired
Not due	6,606.10	0.00%	-	No
Past due 1-90 days	4,270.53	0.00%	-	No
Past due 90-180 days	523.42	0.00%	-	No
Past due 181-270 days	228.02	7.78%	17.74	Yes
Past due 271-365 days	109.14	54.13%	59.07	Yes
Past due for more than 365 days	136.49	99.91%	136.36	Yes
Total	**11,873.70**		**213.18**	

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

	31 March 2025	31 March 2024
Opening Balance	213.19	197.01
Provision for the year	258.65	124.64
Less : Provision withdrawn against Bad debts Written off	(51.10)	(16.87)
Less : Provision withdrawn against payment collected	(71.54)	(91.59)
Closing Balance	**349.20**	**213.19**

33 Capital commitments and contingent liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Claims against the company not acknowledged as debt *		
- Service Tax	32.93	32.93
- GST	64.29	64.29
- Income Tax	-	1.40
Bank Guarantee **	89.00	78.00

* The Management is of the opinion that the above demands are not sustainable and hence no provision needs to be made in the books of account.

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

** Includes expired guarantees which are yet to be renewed amounting to Rs.32 Lakhs (As on 31st March 2024 Rs. 32 Lakhs)

34 Earnings per share

Basic and diluted earnings per share

	Year ended 31 March 2025	Year ended 31 March 2024
Profit and Loss attributable to Equity Share Holders (Rs.in Lakhs)	3,062.70	4,498.37
Weighted average number of shares (In Numbers)	12,00,000	12,00,000
Face value of Shares Rs. Per share (In Rupees)	10	10
Earnings per share (basic & diluted) (In Rupees)	255.22	374.86

35 Operating segments

The Company is engaged in only one business namely providing Logistics services. The entity's chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company does not have multiple segments and these financial statements are reflective of the information required by the Ind AS 108 for Supply Chain Management segment. The Company's operations are entirely domiciled in India.

A. Geographic information :

The geographic information analyses the Company's revenue by the Company's country of domicile and other countries. In presenting the geographical information, segment revenue has been determined based on the geographic location of the customers.

	Year ended 31 March 2025	Year ended 31 Mar 2024
India	52,441.69	39,255.55
USA	4,378.23	13,882.18
UK	415.85	174.48
Rest of the World	7,428.18	4,048.01
	64,663.95	57,360.22

B. Major Customers

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

	Year ended 31 March 2025	Year ended 31 March 2024
TVS Motor Company Ltd, Chennai	10,623.17	8,133.47
Wheels India Limited, Chennai	6,309.00	5,600.99

36 Disclosure for Revenue from contracts with customers

I Disaggregated revenue information

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Type of goods & service		
a) Income from clearing and forwarding services		
Sea Freight	43,267.80	37,000.41
Air Freight	6,430.19	6,353.72
Customs Clearance Charges	3,759.97	4,036.35
Port Handling Charges	7,194.56	7,155.50
Warehousing	4,011.43	2,814.24
b) Other Operating Revenue	-	-
Total Revenue from contracts with customers	**64,663.95**	**57,360.22**

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
India	52,441.69	39,255.54
Outside India	12,222.25	18,104.68
Total Revenue from contracts with customers	**64,663.94**	**57,360.22**

Timing of revenue recognition

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
At a point in time	14,541.07	12,278.69
Over a period of time	50,122.89	45,081.53
Total Revenue from contracts with customers	**64,663.96**	**57,360.22**

II Contract balances

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Trade receivables	10,582.48	11,660.52
Contract Assets	546.42	348.96
Contract Liabilities	-	-

Note : Trade receivables are non-interest bearing

III Revenue recognised in relation to contract liabilities

Particulars	Year ended 31 March 2025	Year ended 31 Mar 2024
Amount included in contract liabilities at the beginning of the year	-	-
Performance obligations satisfied in current year	-	-
Balance	-	-

IV Reconciliation of revenue recognised in the Statement of Profit and Loss with contracted price

Particulars	Year ended 31 March 2025	Year ended 31 Mar 2024
Revenue as per contracted price	64,663.96	57,360.22
Others	-	-
Total Revenue from contracts with customers	**64,663.96**	**57,360.22**

V Unsatisfied or partially unsatisfied performance obligation

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are as follows.	Year ended 31 March 2025	Year ended 31 Mar 2024
Within one year	2,958.79	2,584.10
More than one year	-	-
Total	2,958.79	2,584.10

37 The Board of Directors have recommended a final dividend of 200% amounting to Rs.240 Lakhs at the meeting held on 7.05.2024 which is subject to approval by Shareholders at the Annual General Meeting. This was paid during the period after approval of Share holders at the Annual General Meeting held on 24th July 2024. The Board of Directors have recommended a final dividend of 200% amounting to Rs.240 Lakhs at the meeting held on 17.05.2023 which is subject to approval by Shareholders at the Annual General Meeting. This was paid during the period after approval of Share holders at the Annual General Meeting held on 16th June 2023.

38 Ratios

Particulars	Formulae Used	Numerator	Denominator	31-03-2025	31-03-2024	Variation *
(a) Current Ratio	Current Assets / Current Liabilities	25,435.98	4,540.54	5.60	4.06	37.99%
(b) Debt Equity Ratio	Total Borrowings / Equity	3.10	21,227.64	0.00	0.00	0.00%
(c) Debt Service Coverage Ratio	EBIDTA / Finance cost	4,365.08	51.27	85.14	132.73	-35.86%
(d) Return on Equity Ratio	Net Profit / Equity	3,046.48	21,227.64	14%	24%	-41.10%
(e) Inventory turnover ratio	Turnover / Inventory	64,663.95	-	-	-	0.00%
(f) Trade Receivables turnover ratio	Turnover / Average Trade Receivable	64,663.95	11,121.50	5.81	5.97	-2.62%
(g) Trade payables turnover ratio	Purchase / Average Trade Payable	57,756.65	4,493.22	12.85	10.71	20.00%
(h) Net capital turnover ratio	Net working Capital / Turn Over	20,895.44	64,663.95	0.32	0.32	2.43%
(i) Net profit ratio	Net Profit / Turn Over	3,046.48	64,663.95	4.71%	7.82%	-39.79%
(j) Return on Capital employed	EBIT / (Equity + Borrowing - Cash)	4,218.81	20,811.60	20.27%	35.43%	-42.78%
(k) Return on investment.	Earnings / Average Investment	-	-	0.00%	0.00%	0.00%

* Reasons for Variation More than 25%

(a) Current Ratio — Increase in Loans given and decrease in Debtors & Creditors as compared to PY, resulting in increase of Current ratio

(c) Debt Service Coverage ratio : Reduction in EBITDA in FY 2024-25 is due to reduction in GP on account of to Loss of high margin customer

(d) Return on Equity Ratio : Reduction in Return on Equity is due to reduction in Gross Profit on account of Loss of high margin customer

(i) Net profit ratio : Decrease in Gross profit as compared to Previous year, resulting in decrease of Net profit ratio.

(j) Return on Capital Employed : Reduction is due to Loans given during the year resulting in decrease in cash and cash equivalents.

39 Related parties

(i) Names of related parties and description of relationship with whom transactions have been undertaken.

Nature of Relationship	Name of the Party
Holding company	TVS Supply Chain Solutions Limited
Fellow subsidiaries	TVS Logistics Iberia S.L., Spain
	TVS Autoserve Gmbh, Germany
	TVS Supply Chain Solutions Limited, UK
	Flexol Packaging (India) Ltd
	TVS SCS (Aust) Pty. Ltd.
	Transtar International Freight Limited, Shanghai
	Transtar International Freight Nz Limited
	Transtar International Freight (Thailand) Limited
	Transtar International Freight Ltd, China
	TVS Toyota Tsusho Supply Chain Solutions Ltd
	Pan Asia Freight Forwarding & Logistics India Pvt Ltd
	TVS SCS International Freight (Spain), S.L.U.
	TVS SCS Hong Kong Ltd.
	TVS SCS Deutschland Gmbh
	TVS SCS Logistics Ltd
	Pan Asia Logsitcis International Pte Ltd
	TVS SCS Malaysia Sdn Bhd
	TVS SCS (Korea) Ltd.
	TVS SCS Singapore Pte. Ltd.
	TVS SCS Logistics (Thailand) Limited
	TVS SCS International Freight (Thailand) Limited
	TVS SCS Logistics Management Co., Ltd
	PT. TVS SCS INDONESIA
	TVS Supply Chain Solutions Pte Ltd
	Pan Asia Logistics Ltd, Shanghai
	TVS Supply Chain Solutions North America Inc.
	Pan Asia Logistics Ltd-Beijing Branch
	Pan Asia Logistics Ltd-Guangzhou Branch
	TVS SCS Taiwan Limited
	TVS SCS Vietnam Company Limited
	TVS SCS New Zealand Limited
	TVS SCS Logistics (Thailand) Limited
	TVS SCS Philippines Corporation
	TVS SCS Rico ITALIA SRL
Key Managerial Personnel	Mr. Siddharth Jairaj
Director	Mr. H Janardana Iyer
Director	Ms. Sheethal Gopakumar

Transaction with key managerial personnel

Key management personnel of the Company comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel compensation during the year are as follows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salary & allowances	117.52	103.72
Contribution to provident fund	5.04	4.55
Perquisites	1.26	0.99
Commission / Incentive	31.25	31.25
Total (Included under Employee benefit expense)	**155.07**	**140.51**

	As at 31 March 2025	As at 31 March 2024
Outstanding Balance with Key Managerial Personnel (Payable)	62.50	312.50

Director Sitting fee Paid/ Payable	As at 31 March 2025	As at 31 March 2024
	Paid	**Paid**
H Janardana Iyer	0.40	0.40
Sheethal Gopakumar	0.45	0.45
Total	**0.85**	**0.85**

Related party transactions other than those with key managerial personnel

	Transaction value		Balance outstanding	
	For the year ended 31 Mar 2025	For the year ended 31 Mar 2024	As at 31 March 2025	As at 31 March 2024
Loans & Advances Given				
TVS SUPPLY CHAIN SOLUTIONS LIMITED	4,600	11,600	13,700	10,600
Loans & Advances Repaid				
TVS SUPPLY CHAIN SOLUTIONS LIMITED	1,500	1,000	-	-
Interest Income from Loans & Advances *				
TVS SUPPLY CHAIN SOLUTIONS LIMITED	987.95	546.77	287.63	245.28

	Transaction value		Balance outstanding	
	For the year ended 31 Mar 2025	For the year ended 31 Mar 2024	As at 31 March 2025	As at 31 March 2024
Sale of service				
TVS SUPPLY CHAIN SOLUTIONS LIMITED	-	20.58	1.41	42.04
TVS LOGISTICS IBERIA S.L., SPAIN	87.75	64.76	6.78	13.44
TVS AUTOSERVE GMBH, GERMANY	16.29	24.11	-	2.00
TVS SUPPLY CHAIN SOLUTIONS LIMITED, UK	4.06	5.41	1.30	1.07
TVS SCS (AUST) PTY. LTD.	76.23	65.30	3.68	5.71
TVS SCS PHILIPPINES CORPORATION	-	0.74	-	0.73
TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U	581.02	310.50	39.17	72.90
TVS SCS HONG KONG LTD.	0.19	1.70	-	-
TVS SCS DEUTSCHLAND GMBH	760.66	122.30	294.72	59.19
TVS SCS LOGISTICS LTD	115.30	64.33	51.89	12.79
TVS SCS TAIWAN LIMITED	5.41	34.20	0.41	3.23
TVS SCS MALAYSIA SDN BHD	113.03	24.87	40.03	9.40
TVS SCS (KOREA) LTD.	7.95	0.14	4.91	-
TVS SCS SINGAPORE PTE. LTD.	1,323.25	466.97	357.26	151.87
TVS SCS LOGISTICS (THAILAND) LIMITED	23.86	68.93	1.68	7.95
PT. TVS SCS INDONESIA	115.31	53.45	18.90	5.41
TVS SUPPLY CHAIN SOLUTIONS PTE LTD	13.86	20.83	2.23	6.84
TVS SCS NEW ZEALAND LIMITED	3.57	23.84	-	2.20
TVS SCS VIETNAM COMPANY LIMITED	2.28	12.67	0.21	1.54
TVS SCS RICO ITALIA SRL	27.57	2.86	-	2.04
TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA INC	366.16	-	24.94	-

	Transaction value		Balance outstanding	
	For the year ended 31 Mar 2025	For the year ended 31 Mar 2024	As at 31 March 2025	As at 31 March 2024
Purchase of services				
TVS SUPPLY CHAIN SOLUTIONS LTD *	462.96	508.70	0.40	0.40
TVS SUPPLY CHAIN SOLUTIONS LIMITED, UK	449.67	247.34	101.62	27.04
TVS TOYOTA TSUSHO SUPPLY CHAIN SOLUTION	3.59	1.97	2.53	0.47
TVS AUTOSERVE GMBH, GERMANY	380.89	196.62	104.29	54.76
TVS SCS (AUST) PTY. LTD.	14.51	15.98	2.19	2.32
TVS SUPPLY CHAIN SOLUTIONS NORTH AMERIC	824.74	39.72	129.91	39.22
TVS SUPPLY CHAIN SOLUTIONS PTE LTD	139.37	140.73	7.20	-
TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	130.55	122.64	44.40	35.66
TVS SCS DEUTSCHLAND GMBH	503.15	325.59	54.75	61.00
TVS SCS HONG KONG LTD.	100.28	81.98	2.45	7.32
TVS SCS LOGISTICS LTD	2,964.81	1,821.60	380.86	361.02
TVS SCS (KOREA) LTD.	91.17	75.82	14.65	18.38
TVS SCS SINGAPORE PTE. LTD.	481.84	1,230.45	154.67	149.93
TVS SCS MALAYSIA SDN BHD	42.05	28.23	1.62	7.21
PT. TVS SCS INDONESIA	54.79	58.14	4.98	1.02
TVS SCS TAIWAN LIMITED	146.65	92.46	19.90	18.53
TVS SCS LOGISTICS MANAGEMENT CO., LTD	306.82	353.89	52.78	62.43
TVS SCS NEW ZEALAND LIMITED	5.09	5.24	-	5.18
TVS SCS LOGISTICS (THAILAND) LIMITED	384.40	60.90	215.74	2.25
TVS SCS RICO ITALIA SRL	311.83	259.07	69.57	33.85
TVS SCS PHILIPPINES CORPORATION	15.65	-	0.02	-
TVS SCS VIETNAM COMPANY LIMITED	21.56	11.23	11.25	1.69

* Includes Management Fee of Rs.383.22 Lakhs (PY : 373.20)

40 Other Statutory Information

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

(ii) The company's search based on publicly available databases on struck off companies did not reveal any transactions with such companies.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the period.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

(viii) The Company has not revalued its Property, Plant and Equipment during the period.

(ix) The Company has complied with the number of layers of investments in respect of investments made by it.

(x) The Company has not entered into or been a part of Scheme of Arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.

41 Merger of TVS SCS Global Freight Solutions Limited with M/s TVS Supply Chain Solutions Limited

The Board of directors, at their meeting held on 2nd February 2024, have granted their consent and approval for the scheme of Amalgamation between various subsidiaries of TVS Supply Chain Solutions Limited, including TVS SCS Global Freight Solutions Limited, with and into M/s TVS Supply Chain Solutions Limited.

This Scheme is subject to necessary approvals / consents / sanctions and permissions of the shareholders and / or creditors of the Company, sanction of the jurisdictional Hon'ble National Company Law Tribunal (the "Hon'ble Tribunal") constituted under the provisions of the Act / such other competent authority / any other appropriate authority under the applicable provisions of the Act and such other approvals / permissions as may be required under applicable laws, regulations, and guidelines issued by the regulatory authorities.

42 Previous year figures have been regrouped / reclassified to conform to current year's classification.

As per our report of even date attached
For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

For and on behalf of Board of Directors of
TVS SCS Global Freight Solutions Limited

K S Rajagopalan
Partner
Membership No. 023919

Place : Madurai
Date : 15.05.2025
ICAI UDIN : 25023919BMILWH6439

Kameswaran Sukumar
DIN 02546479
Director

Place: Chennai
Date: 14.05.2025

Siddharth Jairaj
DIN 01754852
Whole Time Director

Place: Chennai
Date: 14.05.2025

Fit 3PL Warehousing Private Limited

FY 2024-25

INDEPENDENT AUDITOR'S REPORT

To the Members of FIT 3PL Warehousing Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of FIT 3PL Warehousing Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

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

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

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

and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

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

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

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

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

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

   (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025;

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

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

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

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

      iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 39 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 39 to the financial statements, no funds 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; 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 softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer Note 40 to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention.

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

per Sriguruprasad N
Partner
Membership Number: 225419
UDIN: 25225419BNQJVL5349
Place of Signature: Chennai
Date: May 21, 2025

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

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

We have audited the internal financial controls with reference to financial statements of FIT 3PL Warehousing Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with

authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, 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 Sriguruprasad N
Partner
Membership Number: 225419
UDIN: 25225419BNQJVL5349
Place of Signature: Chennai, Tamilnadu
Date: May 21, 2025

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

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

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

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

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

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

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

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

(iii) (a) During the year, the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies as follows:

Particulars	Guarantees / Security / Advances in the nature of loans	Loans Amounts in Lakhs
Aggregate amount loans granted during the year - Holding Company	-	1,100
Balance outstanding as at balance sheet date in respect of above	-	1,100

During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to Firms, Limited Liability Partnerships or any other parties.

(b) During the year, the terms and conditions of the grant of loans are not prejudicial to the Company's interest.

(c) During the year, the Company has granted loans to the Holding Company which are repayable on demand and the schedule of repayment of principal and payment of interest has been stipulated and these were not demanded during the 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) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) As disclosed in note 7 to the financial statements, the Company has granted loans repayable on demand to Holding Company. Following are the details of the aggregate amount of loan granted to related party as defined in clause (76) of section 2 of the Companies Act, 2013:

(iv) Loans in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company. The Company has not made investments and has not given guarantees or security to which the provisions of sections 185 and 186 apply and hence not commented upon.

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

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

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

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

Name of the statute	**Nature of the dues**	**Amount (Rs. In Lakhs)***	**Period to which the amount relates**	**Forum where the dispute is pending**	**Remarks, if any**
The Central Goods and Service Tax Act, 2017	Goods and Service Tax	2.96	2019-20	GST-Maharastra	
The Central Goods and Service Tax Act, 2017	Goods and Service Tax	0.42	2017-18	GST - Chattisgarh	
The Central Goods and Service Tax Act, 2017	Goods and Service Tax	2.32	2017-18	GST – Delhi	
The Central Goods and Service Tax Act, 2017	Goods and Service Tax	26.18	2017-18	GST – Karnataka	
The Central Goods and Service Tax Act, 2017	Goods and Service Tax	1.33	2018-19	GST - Chattisgarh	
The Central Goods and Service Tax Act, 2017	Goods and Service Tax	2.53	2018-19	GST - Uttar Pradesh	
The Central Goods and Service Tax Act, 2017	Goods and Service Tax	3.32	2019-20	GST – West Bengal	
	Total	39.06			

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

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

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

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

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

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

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

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

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

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

(xii) (a) 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 are not applicable to the Company.

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

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

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

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

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

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

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

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

(xvii) The Company has not incurred cash losses in the current financial year 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 37 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, the Company has transferred unspent amount to a fund specified in Schedule VII of the Companies Act, 2013 (the Act) within a period of six months of the expiry of the financial year, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 36 to the financial statements.

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

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

per Sriguruprasad N
Partner
Membership Number: 225419
UDIN: 25225419BNQJVL5349
Place of Signature: Chennai
Date: May 21, 2025

FIT 3PL WAREHOUSING PRIVATE LIMITED
CIN: U63090TN1997PTC037441
BALANCE SHEET AS AT MARCH 31, 2025
(All amounts are in INR lakhs except share data and otherwise stated)

	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	305.18	422.42
Other Intangible assets	5	4.79	9.38
Right-of-use assets	6	976.29	2,257.85
Financial assets			
Deposits and other receivables	8	595.25	444.77
Non current tax assets	10	720.78	628.91
Deferred tax assets	11	240.72	318.40
Total non - current assets		**2,843.01**	**4,081.73**
Current Assets			
Financial assets			
Trade receivables	12	2,346.03	2,576.54
Cash and cash equivalents	13	518.01	734.01
Other bank balances	14	542.79	500.00
Loans	7	1,100.00	-
Deposits and other receivables	8	305.63	500.00
Other financial assets	9	11.75	2.31
Other current assets	15	1,059.79	1,184.16
Total current assets		**5,884.00**	**5,497.02**
Total Assets		**8,727.00**	**9,578.75**
EQUITY AND LIABILITIES			
Equity			
Share capital	16	200.00	200.00
Other Equity	17	4,086.38	3,390.44
Total Equity		**4,286.38**	**3,590.44**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Lease liability	6	320.26	701.29
Provisions	18	227.10	223.45
Total Non-current liabilities		**547.36**	**924.74**
Current liabilities			
Financial Liabilities			
Lease liability	6	797.88	2,023.32
Trade payables	19		
Dues to micro and small enterprises		326.02	606.11
Dues to creditors other than micro and small enterprises		2,335.53	1,994.49
Other financial liabilities	20	41.62	39.51
Provisions	18	108.00	58.60
Other current liabilities	21	284.21	341.54
Total current liabilities		**3,893.26**	**5,063.57**
Total liabilities		**4,440.62**	**5,988.31**
Total Equity and liabilities		**8,727.00**	**9,578.75**

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

As per our report of even date attached

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

for and on behalf of the board of directors of

FIT 3PL WAREHOUSING PRIVATE LIMITED

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : May 21, 2025

Ravi Viswanathan
Director
DIN : 08713910

Place : Chennai
Date : May 21, 2025

Sukumar Kameswaran
Director
DIN : 02546479

Place : Chennai
Date : May 21, 2025

FIT 3PL WAREHOUSING PRIVATE LIMITED
CIN: U63090TN1997PTC037441
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR lakhs except share data and otherwise stated)

	Notes	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from operations	22	13,317.87	14,440.50
Other income	23	155.91	142.76
Total income		**13,473.78**	**14,583.26**
Expenses			
Employee benefits expense	24	1,773.84	1,752.99
Finance costs	25	178.88	397.53
Impairment losses on financial instruments		145.91	205.28
Depreciation and amortization expense	26	1,939.67	2,916.25
Other expenses	27	8,514.97	8,749.34
Total expenses		**12,553.26**	**14,021.38**
Profit / (loss) before tax		**920.51**	**561.88**
Income tax expense	28		
Current tax		129.29	131.66
Deferred tax		82.11	(2.06)
Income tax expenses		**211.40**	**129.60**
Profit/ (Loss) for the year		**709.11**	**432.28**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		(17.61)	15.84
Income tax relating to items that will not be reclassified to profit or loss	28	4.43	(3.99)
Net other comprehensive income not to be reclassified subsequently to profit or loss		**(13.18)**	**11.85**
Other comprehensive income for the year, net of tax		**(13.18)**	**11.85**
Total comprehensive income for the year		**695.94**	**444.13**
Earnings per share			
Basic and diluted earnings per share (INR)	29	354.56	216.14

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

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

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

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : May 21, 2025

Ravi Viswanathan
Director
DIN : 08713910

Place : Chennai
Date : May 21, 2025

Sukumar Kameswaran
Director
DIN : 02546479

Place : Chennai
Date : May 21, 2025

FIT 3PL WAREHOUSING PRIVATE LIMITED
CIN: U63090TN1997PTC037441
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR lakhs except share data and otherwise stated)

Description	Year ended 31 March 2025	Year ended 31 March 2024
Cash flows from operating activities		
Profit before tax	920.51	561.88
Adjustments for:		
Depreciation of property, plant and equipment, ROU Assets and amortisation of Intangible assets	1,939.67	2,916.25
Finance costs	178.88	397.53
Gain on sale of property, plant and equipment	(8.02)	(0.34)
Gain on termination of lease contracts	-	(3.56)
Impairment losses on financial instruments	145.91	205.28
Interest income	(137.96)	(112.64)
	3,038.99	**3,964.39**
Working capital adjustments:		
(Increase) /decrease in trade receivables	84.60	226.57
(Increase) /decrease in other current and non-current, financial and non-financial assets	172.74	123.04
Increase /(decrease) in trade payables	60.95	(312.36)
Increase / (decrease) in other current and non-current financial and non-financial liabilities	(55.21)	(147.55)
Increase /(decrease) in provisions	35.45	(31.45)
Cash generated from / (used) in operating activities	**3,337.52**	**3,822.64**
Income tax refund/(paid) (net)	(221.15)	(49.58)
Net cash flow from / (used) in operating activities	**3,116.37**	**3,773.06**
Cash flows from / (used in) investing activities		
Interest received from bank deposits	63.91	9.66
Redemption of / (Investment in) bank deposits having an original maturity of more than three months	(42.79)	(500.00)
Loans given to related party	(1,100.00)	-
Proceeds from sale of property, plant and equipment	54.90	1.09
Purchase of property, plant and equipment	(36.89)	(70.30)
Net cash from / (used) in investing activities	**(1,060.87)**	**(559.55)**
Cash flows from / (used in) financing activities		
Interest paid	-	(0.21)
Payment of lease liabilities	(2,271.51)	(3,211.33)
Net cash flows from / (used) in financing activities	**(2,271.51)**	**(3,211.53)**
Net increase in cash and cash equivalents	**(216.01)**	**1.98**
Cash and cash equivalents as at the beginning of the year	734.01	732.03
Cash and cash equivalents at the end of the year (Refer note 13)	**518.01**	**734.01**

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

As per our report of even date attached

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

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : May 21, 2025

for and on behalf of the board of directors of

FIT 3PL WAREHOUSING PRIVATE LIMITED

Ravi Viswanathan
Director
DIN : 08713910

Place : Chennai
Date : May 21, 2025

Sukumar Kameswaran
Director
DIN : 02546479

Place : Chennai
Date : May 21, 2025

FIT 3PL WAREHOUSING PRIVATE LIMITED
CIN: U63090TN1997PTC037441
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR lakhs except share data and otherwise stated)

A. Equity share capital

	Note No.	No. of Shares in Lakhs	Amount in Lakhs
Balance as at 1 April 2023		**2.00**	**200.00**
Changes in equity share capital during the year		-	-
Balance as at 31 March 2024	**16**	**2.00**	**200.00**
Changes in equity share capital during the year		-	-
Balance as at 31 March 2025	**16**	**2.00**	**200.00**

B Other equity (Refer Note 17)	**Reserves and Surplus**		**Items of OCI**	**Total**
	General reserve	**Retained earnings**		
Balance as at 01 April 2023	**102.39**	**2,852.57**	**(8.64)**	**2,946.32**
Total comprehensive income for the year				
Profit / (loss) for the year	-	432.28	-	432.28
Other comprehensive income (net of tax)	-	-	11.85	11.85
Total comprehensive income	**-**	**432.28**	**11.85**	**444.13**
Balance as at 31 March 2024	**102.39**	**3,284.86**	**3.20**	**3,390.44**
Balance as at 01 April 2024	**102.39**	**3,284.86**	**3.20**	**3,390.44**
Total comprehensive income for the year				
Profit / (loss) for the year	-	709.11	-	709.11
Other comprehensive income (net of tax)	-	-	(13.18)	(13.18)
Total comprehensive income	**-**	**709.11**	**(13.18)**	**695.94**
Balance as at 31 March 2025	**102.39**	**3,993.97**	**(9.97)**	**4,086.38**

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

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

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

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : May 21, 2025

Ravi Viswanathan
Director
DIN : 08713910

Place : Chennai
Date : May 21, 2025

Sukumar Kameswaran
Director
DIN : 02546479

Place : Chennai
Date : May 21, 2025

FIT 3PL WAREHOUSING PRIVATE LIMITED
CIN: U63090TN1997PTC037441
Notes to the financial statements for the year ended 31 March 2025
(All amounts are in INR lakhs except share data and otherwise stated)

1 Reporting entity

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

2 Basis of preparation

A Statement of compliance

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

The financial statements were authorised for issue by the Company's Board of Directors on May 21, 2025

Details of the accounting policies are included in Note 3

B Functional and presentation currency

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

C Basis of measurement

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

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

D Use of estimates and judgements

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

Judgements

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

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

Property, plant and equipment and intangible assets – useful lives

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

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

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

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

Assets and obligations relating to employee benefits

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

Assumptions and estimation uncertainties

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

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

2 Basis of preparation (continued)

E Measurement of fair values

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

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

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

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

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.
Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 32 – financial instruments

3 Material accounting policies

A Revenue

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

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

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

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

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

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

3 Material accounting policies (continued)

(i) Right-of-use assets

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

Building	1- 5 years

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

(ii) Lease liabilities

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

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

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

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

(iv) Key matters involving significant judgement

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

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

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

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

As per Ind AS 116, the period covered by extension option is included if the lessee is reasonably certain to exercise the option.
As reasonable certainty is a high threshold, the Company believes in most leases where the lease term is greater than 3 years assuming reasonable certainty on lease commencement date may not be appropriate and must be evaluated on a case to case basis, considering factors such as investment in the property, renewal lease rates, specific modifications to property to meet customer requirements, importance of the location and impact on overall business disruption etc.
The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no material changes are required to lease period relating to the existing lease contracts.

3 Material accounting policies (continued)

C Financial instruments

i. Recognition and initial measurement

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

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

ii. Classification and subsequent measurement

Financial assets

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

- amortised cost;
- FVTPL

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

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets: Subsequent measurement and gains and losses

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

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii. Derecognition

Financial assets

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

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

Financial liabilities

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

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

iv. Offsetting

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

3 Material accounting policies (continued)

D Property, plant and equipment

i. Recognition and measurement

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

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

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

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

ii. Subsequent expenditure

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

iii. Depreciation

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

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

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

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

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

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

E Intangible assets

i. Recognition and measurement

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

ii. Subsequent expenditure

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

iii. Amortisation

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

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

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

3 Material accounting policies (continued)

F Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on

- financial assets measured at amortised cost.

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

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

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

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

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.
- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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

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

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

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

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

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

3 Material accounting policies (continued)

Impairment (continued)

ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

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

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

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

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

G Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

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

(iii) Defined benefit plans

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

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

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

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

3 Material accounting policies (continued)

H Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liability is disclosed for all:

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

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

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

I Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.
The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

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

Recognition of interest income or expense

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

J Income tax

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

i. Current tax

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

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

ii. Deferred tax

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

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

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

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3 Material accounting policies (continued)

K Borrowing cost

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

L Cash and cash equivalents

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

M Cash flows

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

N Segment reporting

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

O Earnings per share

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

P Exceptional items

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

Q Changes in accounting standards and disclosures

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Ind AS 117 Insurance Contracts

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

• A specific adaptation for contracts with direct participation features (the variable fee approach)
• A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 does not have material impact on the Company's separate financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

(ii) Amendments to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments do not have a material impact on the Company's financial statements.

R Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2025 to amend the following Ind AS which are effective from 01 April 2025.

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

4 Property, plant and equipment

A Reconciliation of carrying amount

	Furniture and fixtures	Computer equipment	Office equipment	Total
Gross carrying amount				
Balance as at 1 April 2023	551.63	433.39	1,044.76	2,029.78
Other additions	11.28	43.25	15.77	70.30
Disposals	(1.52)	(0.73)	(1.02)	(3.27)
Balance at 31 March 2024	**561.39**	**475.91**	**1,059.52**	**2,096.81**
Balance at 1 April 2024	561.39	475.91	1,059.52	2,096.81
Other additions	1.61	17.08	18.22	36.91
Disposals	(42.97)	(16.86)	(11.30)	(71.13)
Balance at 31 March 2025	**520.04**	**476.13**	**1,066.44**	**2,062.59**
Accumulated depreciation and Impairment losses				
Balance as at 1 April 2023	338.11	370.77	841.56	1,550.44
Depreciation for the year	35.94	38.84	51.69	126.47
Disposals	(0.88)	(0.69)	(0.94)	(2.51)
Balance at 31 March 2024	**373.17**	**408.91**	**892.32**	**1,674.39**
Balance at 1 April 2024	373.17	408.91	892.32	1,674.39
Depreciation for the year	33.65	26.70	46.90	107.25
Disposals	(10.25)	(10.26)	(3.73)	(24.24)
Balance at 31 March 2025	**396.57**	**425.35**	**935.48**	**1,757.41**
Carrying amounts (net)				
At 31 March 2024	**188.22**	**67.00**	**167.20**	**422.42**
At 31 March 2025	**123.47**	**50.77**	**130.95**	**305.18**

5 Intangible assets

a Reconciliation of carrying amount

	Computer software	Total
Gross carrying amount		
Balance as at 1 April 2023	104.95	104.95
Other additions	-	-
Disposals	-	-
Balance at 31 March 2024	**104.95**	**104.95**
Balance at 1 April 2024	104.95	104.95
Other additions	-	-
Disposals	-	-
Balance at 31 March 2025	**104.95**	**104.95**
Accumulated amortization and impairment loss		
Balance as at 1 April 2023	85.92	85.92
Amortization for the year	9.65	9.65
Disposals	-	-
Balance at 31 March 2024	**95.57**	**95.57**
Balance at 1 April 2024	95.57	95.57
Amortization for the year	4.58	4.58
Disposals	-	-
Balance at 31 March 2025	**100.16**	**100.16**
Carrying amounts (net)		
At 31 March 2024	**9.38**	**9.38**
At 31 March 2025	**4.79**	**4.79**

6 Right of use assets

a Underlying Asset

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

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

	Building	Total
Net carrying amount		
Balance as at 1 April 2023	4,056.77	4,056.77
Additions	1,082.02	1,082.02
Reversals *(less)*	(100.81)	(100.81)
Depreciation *(less)*	(2,780.13)	(2,780.13)
Balance as at 31 March 2024	**2,257.85**	**2,257.85**
Additions	546.27	546.27
Reversals *(less)*	-	-
Depreciation *(less)*	(1,827.83)	(1,827.83)
Balance as at 31 March 2025	**976.29**	**976.29**

c **Set out below are the carrying amounts of lease liabilities and the movement during the year**

	31 March 2025	31 March 2024
Balance at the beginning of the year	2,724.61	4,594.17
Additions	486.15	1,048.82
Accretion of interest	178.88	397.32
Payments	(2,271.51)	(3,211.32)
Reversals	-	(104.38)
Balance at the end of the year	**1,118.13**	**2,724.61**
Current	797.88	2,023.32
Non - Current	320.26	701.29
Cash outflows for leases	2,271.51	3,211.32

d **The following are recognised in the statement of profit and loss**

	31 March 2025	31 March 2024
Depreciation expenses of right of use assets	1,827.83	2,780.13
Interest expenses on lease liabilities	178.88	397.32
Expenses relating to short term leases and leases of low value assets	711.30	761.85
Total amount recognised in profit or loss	**2,718.01**	**3,939.30**

7 Loans

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Loan to related parties				
Unsecured, considered good*	-	-	1,100.00	-
	-	-	**1,100.00**	-

* The above mentioned loan was provided to Holding Company for working capital requirements.

Additional disclosures for loans given to promoter, director, KMP or related parties that are repayable on demand or loans without any terms or period of repayment:

			31 March 2025		31 March 2024	
Name of the borrower	Rate of interest	Type of the borrower*	Outstanding loan	% to the total loan	Outstanding loan	% to the total loan
TVS Supply Chain Solutions Limited	9.00%	Holding Company	1,100.00	100%	-	-
			1,100.00	**100%**	-	-

8 Deposits and other receivables

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Security deposits				
Unsecured considered good	595.25	444.77	302.75	491.68
	595.25	**444.77**	**302.75**	**491.68**
Other receivables				
Loans and advances to employees	-	-	2.88	8.32
	595.25	**444.77**	**305.63**	**500.00**

9 Other financial assets

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Advances recoverable in cash or kind				
Interest accrued on Fixed deposits	-	-	11.75	2.31
	-	**-**	**11.75**	**2.31**

10 Tax assets net

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Tax assets				
Net of provision for Taxation	720.78	628.91	-	-
	720.78	**628.91**	**-**	**-**

11 Deferred tax assets (net)

	31 March 2025	31 March 2024
Property, plant and equipment	54.22	51.22
Provision for employee benefits	91.24	72.48
Provision for doubtful trade receivables	59.56	64.54
Right of use asset and liability	35.70	130.16
Deferred tax assets, net	**240.72**	**318.40**

12 Trade receivables

	31 March 2025	31 March 2024
Gross trade receivables		
Unsecured, considered good from Related parties	199.59	128.57
Unsecured, considered good from others	2,146.44	2,447.97
Trade Receivables - credit impaired	236.66	363.58
	2,582.69	**2,940.12**
Loss allowance		
Trade Receivables - credit impaired	(236.66)	(363.58)
	(236.66)	(363.58)
Net trade receivables	**2,346.03**	**2,576.54**
Non-current	-	-
Current	2,346.03	2,576.54

Of the above, trade receivables from related parties are as below :	31 March 2025	31 March 2024
Trade receivables	199.59	128.57
Loss allowance	-	-
Net trade receivables	**199.59**	**128.57**

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

12 Trade receivables (Continued)

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

31 March 2025	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good							
Undisputed, external	1,624.62	468.05	40.62	3.40	7.00	2.76	**2,146.44**
Intercompany	156.53	42.68	0.38				**199.59**
	1,781.15	510.72	41.00	3.40	7.00	2.76	**2,346.03**
Trade Receivables - credit impaired							
Undisputed, external	11.87	84.27	26.35	106.41	7.57	0.19	**236.66**
	11.87	84.27	26.35	106.41	7.57	0.19	**236.66**
Total	**1,793.02**	**595.00**	**67.35**	**109.81**	**14.57**	**2.95**	**2,582.69**

31 March 2024	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good							
Undisputed, external	1,851.06	512.81	65.60	18.50	-	-	**2,447.97**
Intercompany	84.87	43.70			-	-	**128.57**
	1,935.93	556.51	65.60	18.50	-	-	**2,576.54**
Trade Receivables - credit impaired							
Undisputed, external	32.10	76.54	126.58	112.39	15.96		**363.58**
	32.10	76.54	126.58	112.39	15.96	-	**363.58**
Total	**1,968.03**	**633.05**	**192.18**	**130.89**	**15.96**	**-**	**2,940.11**

13 Cash and cash equivalents	**31 March 2025**	**31 March 2024**
Cash and cheques on hand		
Cash on hand	0.07	0.03
	0.07	**0.03**
Balance with banks		
On current accounts	514.97	404.87
Deposits with original maturity of less than three months	2.97	329.10
	517.94	**733.98**
	518.01	**734.01**

14 Other bank balances	**31 March 2025**	**31 March 2024**
Deposits with original maturity of more than 3 months	542.79	500.00
	542.79	**500.00**

15 Other current assets	**31 March 2025**	**31 March 2024**
Advance related to supply of goods and services to parties other than related parties		
Unsecured, considered good	15.13	37.99
Balance with statutory authorities	272.97	360.62
Prepayments	15.11	16.54
Unbilled revenue	756.58	769.01
	1,059.79	**1,184.16**

16 Share capital	**31 March 2025**	**31 March 2024**
Authorised share capital	200.00	200.00
Issued, subscribed and paid up	200.00	200.00
	200.00	**200.00**

16 Share capital (Continued)

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

	31 March 2025		31 March 2024	
	Nos	INR in lakhs	Nos	INR in lakhs
Equity shares				
At the beginning of the year	200,000	200.00	200,000	200.00
Movement during the year	-	-	-	-
Outstanding at the end of the year	**200,000**	**200.00**	**200,000**	**200.00**

b. Terms/rights attached to equity shares

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

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

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

	31 March 2025		31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Holding company	200,000	200.00	200,000	200.00

d. Details of shareholders holding more than 5% shares in the company	31 March 2025		31 March 2024	
	Number of shares	% holding	Number of shares	% holding
Equity shares				
TVS Supply chain Solutions Limited	200,000	100%	200,000	100%

C. Capital management

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

17 Other equity

Retained Earnings

Retained earnings are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

Retained earnings	31 March 2025	31 March 2024
Balance at the beginning of the year	3,284.86	2,852.57
Net profit for the year	709.11	432.28
	3,993.98	**3,284.86**

General Reserve

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

	31 March 2025	31 March 2024
Balance at the beginning of the year	102.39	102.39
Additions	-	-
Balance at the end of the year	**102.39**	**102.39**

Changes in item of OCI

Remeasurement of defined benefit liability

	31 March 2025	31 March 2024
Opening Balance	3.20	(8.64)
Remeasurement of defined benefit liability	(13.18)	11.86
Closing Balance	**(9.98)**	**3.21**

18 Provisions

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Provisions for employee benefits				
Liability for compensated absences	50.05	52.59	47.49	25.76
Provision for gratuity	177.05	170.86	60.51	32.84
	227.10	**223.45**	**108.00**	**58.60**

19 Trade payables

	31 March 2025	31 March 2024
Trade and other payables to related parties (Refer Note 34)	417.22	290.69
Other trade payables	1,918.31	1,703.80
Dues to micro & medium enterprises (MSE) (Refer Note 38)	326.02	606.11
	2,661.55	**2,600.60**

Ageing of trade payables from the due date of payment:

31 March 2025	Not due	< 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - MSE	326.02	-	-	-	-	326.02
Undisputed dues - Others	1,827.66	3.96	18.18	68.17	0.35	1,918.32
Related parties	219.24	110.63	87.35	-	-	417.22
	2,372.92	**114.59**	**105.53**	**68.17**	**0.35**	**2,661.56**

31 March 2024	Not due	< 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - MSE	500.76	105.36	-	-	-	606.12
Undisputed dues - Others	1,036.75	473.64	172.86	14.04	6.50	1,703.79
Related parties	200.72	89.97	-	-	-	290.69
	1,738.23	**668.97**	**172.86**	**14.04**	**6.50**	**2,600.60**

20 Other financial liabilities

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Amount due to employees	-	-	41.48	38.58
Capital creditors	-	-	0.14	0.93
	-	-	**41.62**	**39.51**

21 Other current liabilities

	31 March 2025	31 March 2024
Statutory dues	284.21	337.00
Advance from customers	-	4.54
	284.21	**341.54**

22 Revenue from operations	Year ended 31 March 2025	Year ended 31 March 2024
Sale of services		
Income from supply chain management services	13,317.03	14,435.89
	13,317.03	**14,435.89**
Other operating revenue		
Scrap sales	0.84	4.61
	0.84	**4.61**
Total	**13,317.87**	**14,440.50**

23 Other income	Year ended 31 March 2025	Year ended 31 March 2024
Interest income under the effective interest method on items carried at amortised cost:		
Cash and cash equivalents	47.87	9.66
Security deposits	62.29	102.98
Loan to Holding Company	27.79	-
Interest income on income tax refund	9.94	25.54
Gain on sale of Property Plant & Equipment, net	8.02	0.34
Gain on termination of lease contracts	-	3.56
Other non operating income*	0.00	0.68
	155.91	**142.76**

*Less than 0.00 lacs

24 Employee benefits expense	Year ended 31 March 2025	Year ended 31 March 2024
Salaries, wages and bonus	1,440.45	1,475.99
Contribution to provident and other funds (Refer Note 31)	106.58	111.83
Expenses related to post-employment defined benefit plans (Refer Note 31)	39.63	45.63
Expenses related to compensated absences	74.49	36.67
Staff welfare expenses	112.69	82.87
	1,773.84	**1,752.99**

25 Finance costs	Year ended 31 March 2025	Year ended 31 March 2024
Interest on debt and borrowings on financial liabilities measured at amortised cost	-	0.21
Interest on lease liabilities	178.88	397.32
	178.88	**397.53**

****Secured Cash Credit From Bank**

Working capital facility with a limit of INR 12.50 crores as at 31 March 2025 (INR 12.50 crores as at 31 March 2024) was obtained from IDFC First Bank, which is secured against present & future current assets of the company. The loan is repayable on demand within 12 months and interest rate is 12 months MCLR + 1.4%. During the year, the Company has availed and settled the secured cash credit from bank.

26 Depreciation and amortization expense	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation of property, plant and equipment	107.26	126.47
Depreciation of right-of-use assets	1,827.83	2,780.13
Amortisation of intangible assets	4.58	9.65
	1,939.67	**2,916.25**

27 Other expenses	**Year ended 31 March 2025**	**Year ended 31 March 2024**
Freight charges	3,735.44	3,795.05
Staff transportation charges	0.11	0.74
Casual labour charges	1,420.02	2,102.50
Leasing and hire charges	66.02	-
Rent	645.27	335.66
Consumption of stores and spares	1,083.01	758.75
Power and fuel	140.30	131.05
Rates and taxes	18.72	27.38
Insurance	22.25	14.42
Repairs and maintenance		
Plant and machinery	0.01	0.98
Buildings	146.89	153.33
Others	60.99	123.78
Travelling and conveyance	16.98	12.50
Communication costs	52.00	47.17
Printing and stationery	88.41	105.36
Bank charges	0.72	0.33
Legal and professional fees	98.03	79.83
Security expenses	351.32	402.08
Payment to auditors (Refer note (a) below)	10.50	10.50
Corporate social responsibility expenses	14.40	12.05
Loss on sale of property plant and equipments, net	3.91	-
Miscellaneous expenses	67.65	35.86
Cross Charges	472.01	600.00
	8,514.97	**8,749.34**

(a) Details of payment to auditors

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

28 Income tax expense

A Amounts recognised in profit or loss

	Year ended 31 March 2025	Year ended 31 Mar 2024
Current tax (a)		
Current tax on profits for the year	129.29	131.66
	129.29	**131.66**
Deferred tax (b)		
Attributable to origination and reversal of temporary differences	82.11	(2.06)
	82.11	**(2.06)**
Tax expense (a+b)	**211.40**	**129.60**

B Income tax recognised in other comprehensive income

	Year ended 31 March 2025			Year ended 31 March 2024		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Remeasurement of defined benefit liability / (asset)	(17.61)	4.43	(13.18)	15.84	(3.99)	11.85
	(17.61)	**4.43**	**(13.18)**	**15.84**	**(3.99)**	**11.85**

C Reconciliation of effective tax rate

	31 March 2025	31 March 2025	31 Mar 2024	31 Mar 2024
Profit before tax		**920.51**		**561.88**
Income tax expense at tax rates applicable to this entity	25.17%	231.67	25.17%	141.41
Effect of :				
Permanent disallowances	0.39%	3.62	0.54%	3.03
Others (Expenses not allowed for tax purposes)	-2.60%	(23.90)	-2.64%	(14.85)
Income tax expense as per statement of profit and loss	**22.96%**	**211.40**	**23.07%**	**129.59**

D. Deferred tax assets (net)

Deferred tax assets and liabilities are attributable to the following :	31 March 2025	31 March 2024
Property, plant and equipment	54.22	51.22
Provision for employee benefits	91.24	72.48
Provision for doubtful trade receivables	59.56	64.54
Right of use asset and liability	35.70	130.16
Net Deferred tax assets	**240.72**	**318.40**

E. Movement in deferred tax assets and liabilities

	Balance as at 01 April 2023	Recognised in Profit & Loss	Recognised in OCI	Balance as at 31 March 2024	Recognised in Profit & Loss	Recognised in OCI	Balance as at 31 March 2025
Property, plant and equipment and intangibles	51.91	(0.70)	-	51.22	3.00	-	54.22
Provisions for employee benefits	90.81	(14.34)	(4.00)	72.48	14.33	4.43	91.24
Provision for diminution in financial assets, net	42.36	22.19	-	64.54	(4.98)	-	59.56
Right of use asset and liability	135.25	(5.10)	-	130.16	(94.46)	-	35.70
Net Deferred tax asset	**320.34**	**2.05**	**(4.00)**	**318.40**	**(82.11)**	**4.43**	**240.72**

29 Earnings per share

Basic and diluted earnings per share

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

(i) Profit attributable to equity shareholders	**Year ended 31 March 2025**	**Year ended 31 March 2024**
Profit/ (loss) for the year, attributable to the equity holders	709.11	432.28
(ii) Weighted average number of equity shares		
Weighted average number of equity shares outstanding during the year	200,000	200,000
Basic and diluted earnings per share (Rs.)	354.56	216.14
Face value per Equity Share (Rs.)	100.00	100.00

30 Operating segments

Basis for segmentation

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

A. Geographic information:

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

B. Major Customers

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

	31 March 2025	**31 March 2024**
A	3,333.87	3,174.49
B	2,200.79	1,725.48
C	1,538.14	1,430.24
	7,072.80	**6,330.19**

31 Employee benefits

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund (PF) and employees' state insurance (ESI) scheme which are defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to PF and ESI for the year aggregated to INR 106.58 lakhs (Year ended 31 March 2024 : INR 111.83 lakhs)

Defined benefit plans	**Non-current**		**Current**	
	31 March 2025	**31 March 2024**	**31 March 2025**	**31 March 2024**
Provisions for retirement benefit obligations	177.05	170.86	60.51	32.84

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

Details of retirement benefit obligations

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

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

A. Funding

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

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

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

31 Employee benefits (continued)

Reconciliation of present value of defined benefit obligation	**31 March 2025**	**31 March 2024**
Balance at the beginning of the period	224.77	225.01
Benefits paid	(21.47)	(31.24)
Current service cost	26.95	32.12
Interest cost	14.18	14.59
Actuarial (gains) losses recognised in other comprehensive income		
- changes in demographic assumptions	(1.92)	-
- changes in financial assumptions	4.11	(4.78)
- experience adjustments	15.53	(10.93)
Balance at the end of the year	**262.15**	**224.77**

Reconciliation of the fair value of plan assets	**31 March 2025**	**31 March 2024**
Balance at the beginning of the period	21.07	14.86
Contributions paid into the plan	23.38	36.23
Benefits paid	(21.47)	(31.24)
Interest income	1.51	1.08
Actuarial gains / (losses) recognised in other comprehensive income	0.10	0.14
Balance at the end of the year	**24.59**	**21.07**
Net defined benefit (asset) / liability	**237.56**	**203.70**

	31 March 2025	**31 March 2024**
C. Expense recognised in profit or loss		
Current service cost	26.95	32.12
Interest cost	14.18	14.59
Interest income	(1.51)	(1.08)
	39.62	**45.63**
D. Remeasurements recognised in other comprehensive income		
Acturial gain / (loss) on defined benefit obligation	(17.71)	15.71
Acturial gain / (loss) on plan assets	0.10	0.14
	(17.61)	**15.84**

E. Plan assets	**31 March 2025**	**31 March 2024**
Plan assets comprise of the following:		
Insurer managed funds	24.59	21.07
	24.59	**21.07**

F. Defined benefit obligation

i. Actuarial assumptions	**31 March 2025**	**31 March 2024**
Principal actuarial assumptions at the reporting date were:		
Discount rate	6.54%	7.17%
Future salary growth	7.00%	7.00%
Attrition rate	29%	20%
Expected return on plan assets	7.17%	7.17%

ii. Sensitivity analysis

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

	31 March 2025		**31 March 2024**	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(6.45)	6.84	(8.03)	8.71
Future salary growth (1% movement)	7.66	(7.36)	9.46	(8.99)
Attrition rate (1% movement)	(0.37)	0.38	(0.31)	0.31

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

iii. Maturity Profile of Defined Benefit Obligation

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

	Year ended 31 March 2025	**Year ended 31 March 2024**
Within the next 12 months (next annual reporting period)	85.10	53.91
Between 2 and 5 years	160.82	128.03
Between 6 and 10 years	56.46	81.46
Beyond 10 years	13.65	45.09
Total expected payments	**316.03**	**308.49**

The average duration of the defined benefit plan obligation at the end of the reporting period is 3.37 years (31 March 2024: 4.81 years).

32 Financial instruments - Fair values and risk management

A. Accounting classification and fair values

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

	Note	Carrying amount					
		31 March 2025			31 March 2024		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets carried at amortised cost							
Loans	7	-	-	1,100.00			-
Deposits and other receivables	8	-	-	900.88	-	-	944.77
Trade receivables	12	-	-	2,346.03	-	-	2,576.54
Cash and cash equivalents	13	-	-	518.01	-	-	734.01
Other bank balances	14	-	-	542.79	-	-	500.00
Other financial assets	9	-	-	11.75	-	-	2.31
Total		**-**	**-**	**5,419.46**	**-**	**-**	**4,757.62**
Financial liabilities not measured at fair value							
Borrowings	18	-	-	-	-	-	-
Lease liability	6	-	-	1,118.14	-	-	2,724.61
Trade payables	19	-	-	2,661.55	-	-	2,600.60
Other financial liabilities	20	-	-	41.62	-	-	39.51
Total		**-**	**-**	**3,821.31**	**-**	**-**	**5,364.72**

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

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk; and

Risk management framework

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

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

(i) Market risk

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

Currency risk exposure

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

Interest rate risk exposure

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

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

ii. Credit risk

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

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

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

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

	Carrying amount	
	31 March 2025	**31 March 2024**
Trade receivables	2,346.03	2,576.54
Cash and cash equivalents	518.01	734.01
Other bank balances	542.79	500.00
Loans	1,100.00	-
Deposits and other receivables	900.88	944.77
Other financial assets	11.75	2.31
Total	**5,419.46**	**4,757.62**

Trade and other receivables

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

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

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

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

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

As at 31 March 2025	**Gross carrying amount**	**Weighted-average loss rate**	**Loss allowance**
Not due	1,793.02	0.7%	(11.87)
Past due 1-90 days	514.65	2.5%	(12.90)
Past due 91-180 days	80.36	88.8%	(71.37)
Past due 181-365 days	67.35	39.1%	(26.35)
Past due for more than 365 days	127.33	89.7%	(114.17)
Total	**2,582.71**		**(236.66)**

As at 31 March 2024	**Gross carrying amount**	**Weighted-average loss rate**	**Loss allowance**
Not due	1,968.03	1.6%	(32.10)
Past due 1-90 days	537.57	2.0%	(10.82)
Past due 91-180 days	95.49	68.8%	(65.72)
Past due 181-365 days	192.17	65.9%	(126.58)
Past due for more than 365 days	146.86	87.4%	(128.35)
Total	**2,940.12**		**(363.57)**

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

B. Financial risk management (continued)

Movements in the allowance for impairment in respect of trade receivables

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

	31 March 2025	31 March 2024
Balance at the beginning of the year	(363.58)	(168.31)
Add: Provision for the year	(36.44)	(195.27)
Less: Provision withdrawn against bad debts written off	163.36	-
Balance at end of the year	**(236.66)**	**(363.58)**

Cash and cash equivalents and other bank balances

The Company holds cash and bank balances of INR 1,060.79 lakhs as at 31 March 2025 (31 March 2024: INR 1,234.01 Lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables, Investments and other financial assets

The Company holds deposits and other receivables, investments and other financial assets of INR 3,258.65 Lakhs as at 31 March 2025 (31 March 2024: INR 3,523.60 Lakhs). The credit worthiness of such parties are evaluated by the management on an ongoing basis and is considered to be good.

iii. Liquidity risk

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

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

Exposure to liquidity risk

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

		Contractual cash flows			
	Carrying amount	**Total**	**1 year or less**	**1-5 years**	**More than 5 years**
31 March 2025					
Trade payables	2,661.55	2,661.55	2,661.55	-	-
Lease liability	1,118.14	1,118.14	797.88	320.26	-
Other financial liabilities	41.62	41.62	41.62	-	-
	3,821.31	**3,821.31**	**3,501.05**	**320.26**	**-**

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

33 Contingent Liabilities & Capital Commitments

A. Contingent liabilities	31 March 2025	31 March 2024
a. Claims against the Company not acknowledged as debts		
GST related matters	91.94	148.39

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

b. Guarantees outstanding	40.68	16.00

B. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

34 Related Party disclosures

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

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

B. Transactions during the year:	31 March 2025	31 March 2024
Income from logistics services		
TVS Supply Chain Solutions Limited	474.08	319.40
Interest Income on loan		
TVS Supply Chain Solutions Limited	27.79	-
Cross Charge expenses		
TVS Supply Chain Solutions Limited	472.01	600.00
Freight charges		
TVS Supply Chain Solutions Limited	204.42	186.43
Other Expenses		
TVS Supply Chain Solutions Limited	400.89	190.85
Support Costs - Software		
White Data Systems India Private Limited	1.20	2.70
Loans & advances		
Loans given		
TVS Supply Chain Solutions Limited	1,100.00	-

C. Year end balances :	31 March 2025	31 March 2024
Payables		
TVS Supply Chain Solutions Limited	417.22	290.69
White Data Systems India Private Limited	-	0.11
Receivables		
TVS Supply Chain Solutions Limited	199.59	128.57
Loans to related party		
TVS Supply Chain Solutions Limited	1,100.00	-

Terms and Conditions of Transactions with Related Parties

(a) Logistics services income and freight charges (expenses) from / to related parties are on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. Such transactions generally include payment terms requiring related parties to make payments within 30 to 60 days from the date of invoice.

(b) As described in the note 7 of this financial statements, during the year, the Company provided loans amounting to Rs. 1,100 lacs to TVS Supply Chain Solutions Limited for working capital purposes, which were repayable on demand, carried an interest of 9% per annum. These loans were given at the prevailing interest rate on an arm's length basis. Interest were serviced for these loans on a timely basis and no amounts are impaired during the year.

(c) The Company pays cross charges to the holding company, TVS Supply Chain Solutions Limited based on the invoice raised by them. These were calculated based on the common expenses incurred by the holding company apportioned to the Company with a reasonable / arm's length mark-up.

(d) Trade receivables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been received against these receivables. The amounts are recoverable within 30 to 60 days from the reporting date (March 31, 2024: 30 to 60 days from the reporting date). For the year ended March 31, 2025, the Group has not recorded any impairment on receivables due from related parties.

(e) Trade payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been given against these payables. The amounts are payable within 30 to 60 days from the reporting date (31 March 2024: 30 to 60 days from the reporting date).

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

A. Disaggregated revenue information

Segment	31 March 2025			31 March 2024		
	India	Outside India	Total	India	Outside India	Total
Type of goods or service						
Revenue from operations	13,317.87	-	13,317.87	14,440.50	-	14,440.50
Total revenue from contracts with customers	**13,317.87**	**-**	**13,317.87**	**14,440.50**	**-**	**14,440.50**

B. Timing of revenue recognition

Particulars	31 March 2025	31 March 2024
Goods transferred at a point in time	-	-
Services transferred over time	13,317.87	14,440.50
Total revenue from contracts with customers	**13,317.87**	**14,440.50**

C. Summary of contract balances

Particulars	31 March 2025	31 March 2024
Trade Receivables (Gross)	2,582.69	2,940.12
Contract assets	756.58	769.01
Advance from Customers	-	4.54

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

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

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

		31 March 2025	31 March 2024
a	Amount required to be spent during the year	14.40	12.05
b	Amount approved by the board to be spent during the year	14.40	12.05
c	Amount spent during the year on:		
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than i) above*	14.40	13.09
d	Amount of expenditure incurred	14.40	13.09
e	Shortfall at the end of the year	-	-
f	Total of previous years shortfall	-	-
g	Reason for shortfall	-	-
h	Payment made to related parties	-	-
i	Nature of CSR activities Activities specified in Schedule VII of the Act	14.40	13.09

*The Company has transferred the sum of Rs.14.4 Lakhs to the funds specified in Schedule VII of the Companies Act, 2013 (the Act) within a period of six months of the expiry of the financial year, in compliance with second proviso to sub section 5 of section 135 of the Act..

37 Ratios Analysis

Ratios	Numerator	Denominator	31 March 2025	31 March 2024	Variance	% change
Current ratio	Current Assets	Current Liabilities	1.51	1.09	0.43	39%
Debt Service Coverage ratio	Earnings for debt service = Net profit before taxes + Non-cash operating expenses+Interest	Debt service = Interest & Lease Payments + Principal Repayments	1.17	0.96	0.20	21%
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Shareholder's Equity	16.54%	12.04%	0.05	37%
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.41	5.17	0.24	5%
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	2.20	2.26	-0.06	-2%
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	6.69	33.32	-26.63	-80%
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	5.32%	2.99%	0.02	78%
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	21.50%	15.70%	0.06	37%

* The Company does not have borrowings outstanding as at March 31 2025 and hence this ratio is not applicable

Reason for variance beyond 25% is as below,

Current Ratio has increased on account of loan given to parent company during the current year.

Return on Equity ratio has increased on account of better operational performance in comparision with last financial year.

Net Capital Turnover Ratio has decreased on account of decrease in turnover and increase in net working capital.

Net Profit ratio has increased on account of increase is net profit.

Return on Capital Employed has increased on account of increase in earnings.

38 Due to micro and small enterprises

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

	31 March 2025	31 March 2024
The amounts remaining unpaid to micro and small suppliers as at end of the accounting year		
Principal	326.02	606.11
Interest due thereon	-	-
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amount of payments made to the micro and small suppliers beyond the appointed day during each accounting year	-	2,898.14
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

39 Other Statutory Information.

Undisclosed income

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

Details of benami property held

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

Utilisation of Borrowings

A) The Company has used the working capital loans from banks for the specific purpose for which it was taken at the balance sheet date and Company does not have any working capital loan from financial institution as at balance sheet date.

B)The quarterly returns/statements of current assets filed by the Company with banks in relation to secured borrowings wherever applicable, are in agreement with the books of accounts.

Relationship with struck off companies

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

Disclosure on Funding Transactions

There are no funds that have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

There are no funds that have been received by the company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Crypto transactions

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

Subsequent events

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

40 Audit Trail

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved as per the statutory requirements for record retention.

41 Backup of Books of Accounts

Proper books of accounts as required by the law have been kept by the Company. Backup of the books of accounts (including audit trail) and papers are maintained in electronic mode on servers physically located in India.

42 Prior year figures

Previous year figures have been regrouped / reclassified, where necessary, to conform to current year's classification.

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

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

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : May 21, 2025

Ravi Viswanathan
Director
DIN : 08713910

Place : Chennai
Date : May 21, 2025

Sukumar Kameswaran
Director
DIN : 02546479

Place : Chennai
Date : May 21, 2025

FLEXOL Packaging (India) Limited

FY 2024-25

INDEPENDENT AUDITOR'S REPORT

To the Members of Flexol Packaging (India) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Flexol Packaging (India) Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information .

In our opinion and to the best of our information and according to the explanations given to us , the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards

(Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

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

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

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

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

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

   (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025;

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the financial statements;

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

      iii. There has been no delay in transferring amounts, 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, as disclosed in the note 33 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 33 to the financial statements, no funds 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; 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 34 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. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention.

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

per Sriguruprasad N
Partner
Membership Number: 225419
UDIN: 25225419BNQJVN8051
Place of Signature: Chennai
Date: May 26, 2025

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

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

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

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

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

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

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

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

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

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

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

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

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

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

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

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

Name of the statute	**Nature of the dues**	**Amount (Rs in lakhs)**	**Amount *(Rs in lakhs)**	**Period to which the amount relates**	**Forum where the dispute is pending**
Tamil Nadu Value Added Tax Act, 2006	Sales Tax	1.33	1.33	2011-12	Assistant Commissioner of Commercial Taxes
The Central Goods and Services Tax, 2017	GST	8.94	8.04	2017-18	Appellate Authority, Tamil Nadu
The Central Goods and Services Tax, 2017	GST	36.56	32.90	2018-19	Appellate Authority, Tamil Nadu
The Central Goods and Services Tax, 2017	GST	94.77	85.28	2019-20	Appellate Authority, Tamil Nadu
The Central Goods and Services Tax, 2017	GST	17.86	17.86	2020-21	Appellate Authority, Tamil Nadu

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

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

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

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

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

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

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

(xi) (a) No material 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.

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

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

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

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

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

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

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

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

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

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

(xvii) 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 32 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

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

per Sriguruprasad N
Partner
Membership Number: 225419
UDIN: 25225419BNQJVN8051
Place of Signature: Chennai
Date: May 26, 2025

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF FLEXOL PACKAGING (INDIA) 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 financial statements of Flexol Packaging (India) Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on {the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, 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 Sriguruprasad N
Partner
Membership Number: 225419
UDIN: 25225419BNQJVN8051
Place of Signature: Chennai
Date: May 26, 2025

FLEXOL PACKAGING (INDIA) LIMITED
CIN: U74990TN2010PLC076131
BALANCE SHEET AS AT MARCH 31, 2025
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	1	2.30	9.08
Deferred tax assets (net)	13	103.71	127.34
Total non-current assets		**106.01**	**136.42**
Current assets			
Trade receivables	16	63.50	131.01
Cash and cash equivalents	17	275.72	226.92
Other bank balances	18	100.00	-
Deposits and other receivables	15	18.81	5.43
Other financial assets	19	4.44	-
Total current assets		**462.47**	**363.36**
Total assets		**568.48**	**499.78**
EQUITY AND LIABILITIES			
Equity			
Share capital	20	77.04	77.04
Other equity	21	362.94	286.42
Total equity		**439.98**	**363.46**
Liabilities			
Non-current liabilities			
Provisions	23	6.70	6.86
Non-current tax liabilities (net)		36.53	16.76
Total non-current liabilities		**43.23**	**23.62**
Current liabilities			
Financial liabilities			
Trade payables			
Dues to micro and small enterprises	24	-	5.84
Dues to creditors other than micro and small enterprises		67.03	81.46
Other financial liabilities	25	11.85	15.35
Provisions	23	2.95	3.96
Other current liabilities	26	3.44	6.07
Total current liabilities		**85.27**	**112.68**
Total liabilities		**128.50**	**136.30**
Total equity and liabilities		**568.48**	**499.76**

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

As per our report of even date attached

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

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

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : 26 May 2025

S Ravichandran
Director
DIN : 01485845

Place : Chennai
Date : 26 May 2025

B Subramanian
Director
DIN : 08270940

Place : Chennai
Date : 26 May 2025

FLEXOL PACKAGING (INDIA) LIMITED

CIN: U74990TN2010PLC076131

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

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

	Note	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from contracts with customers	5	333.84	512.74
Other income	6	9.73	2.21
Total income		**343.57**	**514.95**
Expenses			
Cost of material consumed	7	0.51	6.19
Increase/(decrease) in inventories of finished goods	8	-	(1.15)
Employee benefits expense	9	68.78	83.87
Impairment losses on financial instruments		10.32	(11.72)
Finance costs	10	-	0.02
Depreciation and amortisation expense	11	6.78	68.47
Other expenses	12	143.21	216.65
Total expenses		**229.60**	**362.33**
Profit / (loss) before tax		**113.97**	**152.62**
Income tax expense			
Current tax	13	15.18	36.98
Deferred tax charge/ (credit)		23.27	43.19
Income tax expense		**38.45**	**80.17**
Profit / (loss) for the year		**75.52**	**72.45**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/ (losses) on defined benefit plan		1.35	(1.03)
Income tax relating to these items		(0.35)	0.27
Net other comprehensive income not to be reclassified subsequently to profit or loss		**1.00**	**(0.76)**
Other comprehensive income for the year, net of tax		**1.00**	**(0.76)**
Total comprehensive income for the year		**76.52**	**71.69**
Earnings per share			
Basic and diluted earnings per share (INR)	22	9.80	9.40

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

As per our report of even date attached

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

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

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : 26 May 2025

S Ravichandran
Director
DIN : 01485845

Place : Chennai
Date : 26 May 2025

B Subramanian
Director
DIN : 08270940

Place : Chennai
Date : 26 May 2025

FLEXOL PACKAGING (INDIA) LIMITED
CIN: U74990TN2010PLC076131
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Year ended 31 March 2025	Year ended 31 March 2024
Cash flow from operating activities		
Profit before tax	113.97	152.62
Adjustments for:		
Finance costs	-	0.02
Interest income	(9.73)	(2.21)
Depreciation and amortisation expense	6.78	68.47
Provision for doubtful debts	10.32	(11.72)
Operating profit before change in operating assets and liabilities	**121.34**	**207.18**
Change in operating assets and liabilities		
(Increase) / decrease in inventories	-	4.07
(Increase)/ decrease in trade receivables	57.19	7.76
(Increase)/ decrease in other current financial assets and other assets	(4.44)	13.00
(Increase) / decrease in deposits and other receivables	(13.38)	1.57
Increase/(decrease) in provisions	0.18	(1.56)
Increase/(decrease) in trade payables	(20.27)	(61.53)
Increase / (decrease) in financial liabilities and other liabilities	(6.13)	(4.14)
Cash generated from operations	**134.49**	**166.35**
Income taxes paid, net of refunds	5.03	18.43
Net cash flow from / (used in) operating activities	**139.52**	**184.77**
Cash flows from / (used in) investing activities		
Payments for property, plant and equipment	-	(10.83)
Proceeds from sale of property, plant and equipment	-	27.74
Redemption of / (Investment in) bank deposits having an original maturity of more than three months	(90.71)	(0.89)
Interest income on income tax refund	-	2.21
Net cash flow from / (used in) investing activities	**(90.71)**	**18.23**
Cash flows from / (used in) financing activities		
Interest paid	-	(0.02)
Net cash flow from / (used in) financing activities	**-**	**(0.02)**
Net increase / (decrease) in cash and cash equivalents	**48.81**	**202.98**
Cash and cash equivalents at the beginning of the year (refer note 17)	226.91	23.94
Cash and cash equivalents at the end of the year (refer note 17)	**275.72**	**226.92**

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

As per our report of even date attached

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

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

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : 26 May 2025

S Ravichandran
Director
DIN : 01485845

Place : Chennai
Date : 26 May 2025

B Subramanian
Director
DIN : 08270940

Place : Chennai
Date : 26 May 2025

FLEXOL PACKAGING (INDIA) LIMITED
CIN: U74990TN2010PLC076131
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

A	**Equity Share Capital**	**Note No.**	**No of Shares**	**Amount**
	Authorised Capital		10.00	100.00
	Paid up Capital			
	Balance as at 01 April 2023		7.70	77.04
	Changes in equity share capital during the year		-	-
	Balance as at 31 March 2024	20	7.70	77.04
	Changes in equity share capital during the year		-	-
	Balance as at 31 March 2025	20	**7.70**	**77.04**

B	**Other equity**	**Reserves and surplus**		**Items of OCI**	**Total**
		Securities premium	**Retained earnings**		
	Balance at 01 April 2023	**889.95**	**(687.82)**	**12.60**	**214.73**
	Total comprehensive income for the year ended 31 March 2023				
	Profit for the year	-	72.45	-	72.45
	Other comprehensive income	-	-	(0.76)	(0.76)
	Total comprehensive income	**-**	**72.45**	**(0.76)**	**71.69**
	Balance at 31 March 2024	**889.95**	**(615.37)**	**11.84**	**286.42**
	Balance at 01 April 2024	**889.95**	**(615.37)**	**11.84**	**286.42**
	Profit for the year	-	75.52	-	75.52
	Other comprehensive income	-	-	1.00	1.00
	Total comprehensive income	**-**	**75.52**	**1.00**	**76.52**
	Balance at 31 March 2025	**889.95**	**(539.85)**	**12.84**	**362.94**

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

As per our report of even date attached

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

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

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : 26 May 2025

S Ravichandran
Director
DIN : 01485845

Place : Chennai
Date : 26 May 2025

B Subramanian
Director
DIN : 08270940

Place : Chennai
Date : 26 May 2025

FLEXOL PACKAGING (INDIA) LIMITED
CIN: U74990TN2010PLC076131
Notes to the financial statements for the year ended 31 March 2025
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

1 Reporting entity

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

2 Basis of preparation

A Statement of compliance

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

The financial statements were authorised for issue by the Company's Board of Directors on 26th May 2025

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

B Functional and presentation currency

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

C Basis of measurement

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

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

D Use of estimates and judgements

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

Judgements

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

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

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2025 is included in the following notes:

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

E Measurement of fair values

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

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

2 Basis of preparation (continued)

F Measurement of fair values (continued)

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

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

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

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 31 – financial instruments

3 Material accounting polices

A Revenue

Rendering of services

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

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

B Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

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

iii. Defined benefit plans

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

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

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

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

3 Material accounting polices - Continued

C Current versus non-current classification

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

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

D Foreign currency

i. Foreign currency transactions

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

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

E Property, plant and equipment

i. Recognition and measurement

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

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

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

ii. Subsequent expenditure

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

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases, if any, are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

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

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

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

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

3 Material accounting polices - Continued

F Intangible assets

i. Recognition and measurement

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

ii. Subsequent expenditure

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

iii. Amortisation

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

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

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

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

G Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost;

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

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

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

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

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

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

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

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

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

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

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

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

3 Material accounting polices - Continued

ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

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

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

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

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

H Financial instruments

i. Recognition and initial measurement

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

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

ii. Classification and subsequent measurement

Financial assets

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

- amortised cost;
- FVTPL

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

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets: Subsequent measurement and gains and losses

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

Financial liabilities: Classification, subsequent measurement and gains and losses

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

3 Material accounting polices - Continued

iii. Derecognition

Financial assets

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

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

Financial liabilities

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

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

iv. Offsetting

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

I Income tax

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

i. Current tax

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

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

ii. Deferred tax

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

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

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

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3 Material accounting polices - Continued

Uncertainity over tax treatment:

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

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

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

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

J Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liability is disclosed for all:

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

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

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

K Leases

Determining whether an arrangement contains a lease

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

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

Short-term leases and leases of low-value assets

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

3 Material accounting polices - Continued

L Inventories

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

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

M Recognition of interest income or expense

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

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

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

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

N Borrowing cost

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

O Cash and cash equivalents

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

P Cash flows

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

3 Material accounting polices - Continued

Q Segment reporting

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

R Earnings per share

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

S Dividend

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

T Changes in accounting policies and disclosures

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Ind AS 117 Insurance Contracts
The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:
• A specific adaptation for contracts with direct participation features (the variable fee approach)
• A simplified approach (the premium allocation approach) mainly for short-duration contracts
The application of Ind AS 117 does not have material impact on the Company's separate financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

(ii) Amendments to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback
The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.
The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.
The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments do not have a material impact on the Company's financial statements.

U Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2025 to amend the following Ind AS which are effective from 01 April 2025.

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

3.1 Scheme of arrangement

The Board of directors, at their meeting held on 2nd February 2024, have granted their consent and approval for the scheme of Amalgamation between various subsidiaries of TVS Supply Chain Solutions Limited, including Flexol Packaging (India) Limited, with and into M/S TVS Supply Chain Solutions Limited.
This Scheme is subject to necessary approvals / consents / sanctions and permissions of the shareholders and/ or creditors of the Company, sanction of the jurisdictional Hon'ble National Company Law Tribunal (the "Hon'ble Tribunal") constituted under the provisions of the Act / such other competent authority / any other appropriate authority under the applicable provisions of the Act and such other approvals / permissions as may be required under applicable laws, regulations, and guidelines issued by the regulatory authorities.

Application has been filed with National Company Law Tribunal, Chennai on 31st March 2025 for merger of the Company with TVS Supply Chain Solutions Limited, the Holding Company, under the scheme of amalgamation.

4 Operating segments

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

A. Geographic information:

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

B. Major Customers

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

	Year ended 31 March 2025	Year ended 31 March 2024
A	139.86	224.06
B	110.74	118.68
C	49.56	75.49
	300.16	**418.23**

5 Revenue from contracts with customers

	Year ended 31 March 2025	Year ended 31 March 2024
Income from logistics services (refer note 5.1 below)	333.84	512.74
	333.84	**512.74**

5.1 Disaggregated revenue information

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

	Year ended 31 March 2025	Year ended 31 March 2024
Timing of revenue recognition		
Services transferred over time	333.84	512.74
Total revenue from contracts with customers	**333.84**	**512.74**

5.2 Contract balances

	Year ended 31 March 2025	Year ended 31 March 2024
Trade receivables (refer note 16)	63.50	131.01
	63.50	**131.01**

6 Other income

	Year ended 31 March 2025	Year ended 31 March 2024
Interest income from bank	9.29	-
Interest income on income tax refund	0.44	2.21
	9.73	**2.21**

7 Cost of materials consumed

	Year ended 31 March 2025	Year ended 31 March 2024
Inventory at the beginning of the year	-	2.92
Purchases	0.51	3.27
Less: Inventory at the end of the year	-	-
	0.51	**6.19**

8	**Increase/(decrease) in inventories of finished goods**	**Year ended 31 March 2025**	**Year ended 31 March 2024**
	Finished goods at the beginning of the year	-	(1.15)
	Finished goods at the end of the year	-	-
	Increase/(decrease) in inventories of finished goods	**-**	**(1.15)**

9	**Employee benefits expense**	**Year ended 31 March 2025**	**Year ended 31 March 2024**
	Salaries, wages and bonus	58.66	72.93
	Contribution to provident and other funds	6.08	7.06
	Expenses related to post-employment defined benefit plans	1.70	1.40
	Staff welfare expenses	2.34	2.48
		68.78	**83.87**

10	**Finance Costs**	**Year ended 31 March 2025**	**Year ended 31 March 2024**
	Interest expenses on borrowings*	-	0.02
		-	**0.02**

***Secured Cash Credit From Bank**

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

11	**Depreciation and amortisation expense**	**Year ended 31 March 2025**	**Year ended 31 March 2024**
	Depreciation of property, plant and equipment (refer note 14)	6.78	68.47
		6.78	**68.47**

12	**Other expenses**	**Year ended 31 March 2025**	**Year ended 31 March 2024**
	Freight charges	92.21	165.83
	Casual labour charges	8.74	5.33
	Rent	2.00	4.00
	Rates and taxes	2.86	0.29
	Insurance	-	0.15
	Repairs and maintenance		
	Others	7.35	0.27
	Travelling and conveyance	1.85	2.13
	Communication costs	0.37	0.46
	Printing and stationery	0.28	0.43
	Bank charges	-	0.12
	Legal and professional fees	8.24	9.80
	Payment to auditors (refer note (a) below)	8.25	8.00
	Cross charges	11.06	19.59
	Miscellaneous expenses	-	0.25
		143.21	**216.65**

(a)	**Details of payment to auditors**	**Year ended 31 March 2025**	**Year ended 31 March 2024**
	As auditor:		
	Statutory audit	8.25	8.00
		8.25	**8.00**

13 Income tax expense

A. Amounts recognised in profit or loss

	Year ended 31 March 2025	Year ended 31 March 2024
Current tax		
Current tax	15.18	36.98
	15.18	**36.98**
Deferred tax		
Attributable to :		
Origination and reversal of temporary differences	23.27	43.19
	23.27	**43.19**
Tax expense	**38.45**	**80.17**

B. Income tax recognised in other comprehensive income

	Year ended 31 March 2025			Year ended 31 March 2024		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Remeasurements of defined benefit liability / (asset)	1.35	(0.35)	1.00	(1.03)	0.27	(0.76)
	1.35	**(0.35)**	**1.00**	**(1.03)**	**0.27**	**(0.76)**

C. Reconciliation of effective tax rate

	Year ended 31 March 2025		Year ended 31 March 2024	
Profit/ (loss) before tax		113.97		152.62
Tax using the Company's domestic tax rate	25.17%	28.68	26.00%	39.68
Effects of :				
Non-deductible expenses & C/F loss benefit	0.00%	-	-4.93%	(7.52)
Others	8.58%	9.77	31.46%	48.01
Effective tax rate	33.74%	38.45	52.53%	80.17

13 Income tax expense (continued)

D. Recognised deferred tax assets and liabilities

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

	31 March 2025	31 March 2024
Deferred tax asset		
Property, plant and equipment and intangibles	83.33	107.58
Amounts allowable only on payment	3.16	1.79
Provision for diminution in financial assets, net	17.22	17.96
Deferred tax assets, net	**103.71**	**127.34**

b. Movement in deferred tax assets and liabilities

	Balance as at 01 April 2023	Recognised in Profit & Loss	Recognised in OCI	Balance as at 31 March 2024	Recognised in Profit & Loss	Recognised in OCI	Balance as at 31 March 2025
Property, plant and equipment and intangibles	116.91	(9.33)	-	107.58	(24.25)	-	83.33
Amounts allowable only on payment	6.92	(5.40)	0.27	1.79	1.72	(0.35)	3.16
Provision for diminution in financial assets, net	15.71	2.25	-	17.96	(0.74)	-	17.22
Tax losses carried forward	30.71	(30.71)	-	-	-	-	-
Net Deferred tax asset	**170.25**	**(43.19)**	**0.27**	**127.33**	**(23.27)**	**(0.35)**	**103.71**

1 Property, plant and equipment

Reconciliation of carrying amount

	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Computer equipment	Total
Gross carrying amount						
Balance as at 01 April 2023	981.37	16.53	10.70	0.45	3.95	1,013.00
Additions	10.83	-	-	-	-	10.83
Deletions	(190.42)	-	-	-	-	(190.42)
Balance at 31 March 2024	**801.78**	**16.53**	**10.70**	**0.45**	**3.95**	**833.41**
Balance as at 01 April 2024	801.78	16.53	10.70	0.45	3.95	833.41
Additions	-	-	-	-	-	-
Deletions	-	-	-	-	-	-
Balance at 31 March 2025	**801.78**	**16.53**	**10.70**	**0.45**	**3.95**	**833.41**
Accumulated depreciation as at 01 April 2023	888.85	16.30	9.44	0.44	3.51	918.55
Depreciation for the year	68.47	-	-	-	-	68.47
Deletion during the year	(162.68)	-	-	-	-	(162.68)
Balance at 31 March 2024	**794.64**	**16.30**	**9.44**	**0.44**	**3.51**	**824.33**
Accumulated depreciation as at 01 April 2024	794.64	16.30	9.44	0.44	3.51	824.33
Depreciation for the year	6.78	-	-	-	-	6.78
Deletion during the year	-	-	-	-	-	-
Balance at 31 March 2025	**801.42**	**16.30**	**9.44**	**0.44**	**3.51**	**831.11**
Carrying amounts (net)						
At 31 March 2024	**7.14**	**0.23**	**1.26**	**0.01**	**0.44**	**9.08**
At 31 March 2025	**0.36**	**0.23**	**1.26**	**0.01**	**0.44**	**2.30**

15 Deposits and other receivables

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Security deposits				
Unsecured, considered good	-	-	14.02	0.89
	-	**-**	**14.02**	**0.89**
Other receivables				
Advances to employees	-	-	4.79	4.54
	-	-	**4.79**	**4.54**
	-	**-**	**18.81**	**5.43**

16 Trade receivables (Current)

	31 March 2025	31 March 2024
Unsecured, considered good		
Trade receivables from related parties (Refer Note 29)	63.50	131.01
Trade Receivables - credit impaired	68.40	71.36
	131.90	**202.37**
Less: Loss Allowance for credit impaired trade receivables	(68.40)	(71.36)
	63.50	**131.01**
Current portion	63.50	131.01

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 31.

Ageing of trade receivable from the due date of payment:

31 Mar 2025	**Not due**	**< 6 months**	**6 months to 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Unsecured, considered good							
Undisputed, Related Party	8.82	8.01	2.93	43.73	-	-	**63.50**
	8.82	8.01	2.93	43.73	-	-	**63.50**
Trade Receivables - credit impaired							
Undisputed, external	0.24	2.04	0.21	65.91	-	-	**68.40**
	0.24	2.04	0.21	65.91	-	-	**68.40**
Total	**9.06**	**10.05**	**3.14**	**109.64**	**-**	**-**	**131.90**

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

17 Cash and cash equivalents

	31 March 2025	31 March 2024
Cash on hand	-	-
Balance with banks		
On current accounts	121.36	226.92
Deposits with original maturity of less than 3 months	154.36	-
	275.72	**226.92**

18 Other bank balances	**31 March 2025**	**31 March 2024**
Deposits with original maturity of more than 3 months	100.00	-
	100.00	**-**

19 Other financial assets	**31 March 2025**	**31 March 2024**
Interest accrued on fixed deposits	4.44	-
	4.44	**-**

20 Share capital	**31 March 2025**	**31 March 2024**
Authorised share capital		
900,000 (31 March 2024: 900,000) equity shares of ₹ 10 each	90.00	90.00
100,000 (31 March 2024: 100,000) preference shares of ₹ 10 each	10.00	10.00
Issued, Called, Subscribed and Paid up		
770,416 (31 March 2024: 770,416) equity shares of ₹ 10 each	77.04	77.04

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

	31 March 2025		**31 March 2024**	
	No. of shares	**Amount**	**No. of shares**	**Amount**
Equity shares				
At the beginning of the year	770,416	77.04	770,416	77.04
Issued during the year	-	-	-	-
Outstanding at the end of the year	**770,416**	**77.04**	**770,416**	**77.04**

b. Terms/rights attached to equity shares

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

c. Shares of the company held by holding company

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

	31 March 2025	**31 March 2024**
TVS Supply Chain Solutions Limited		
770,416 (31 March 2024: 770,416) equity shares of ₹ 10 each	77.04	77.04

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

	31 March 2025		**31 March 2024**	
	Number of shares	**% holding**	**Number of shares**	**% holding**
Equity shares of ₹ 10 each, fully paid up				
TVS Supply Chain Solutions Limited	770,416	100.00%	770,416	100.00%

e. Details of Shares held by Promoters	**31 March 2025**	**31 March 2024**
Promoter name : TVS Supply Chain Solutions Limited		
No. of shares at the beginning of the year	770,416	770,416
Change during the year	-	-
No. of shares at the end of the year	770,416	770,416
% of total shares	100%	100%
% change during the year	-	-

21 Other equity

A Securities premium

	31 March 2025	31 March 2024
Balance at the beginning of the year	889.95	889.95
Additions	-	-
Balance at the end of the year	**889.95**	**889.95**

B Retained Earnings

Retained earnings are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

Retained earnings	31 March 2025	31 March 2024
Balance at the beginning of the year	(615.37)	(687.82)
Net profit for the year	75.52	72.45
Balance at the end of the year	**(539.85)**	**(615.37)**

C Items of OCI

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

Remeasurements of defined benefit liability (asset)	31 March 2025	31 March 2024
Opening balance	11.84	12.60
Remeasurements of defined benefit liability (asset)	1.00	(0.76)
Closing balance	**12.84**	**11.84**
Total Other Equity	**362.95**	**286.43**

22 Earnings per share

Basic and diluted earnings per share

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

(i) Profit attributable to equity shareholders	Year ended 31 March 2025	Year ended 31 March 2024
Profit/ (loss) for the year, attributable to the equity holders	75.52	72.45

(ii) Weighted average number of equity shares	Year ended 31 March 2025	Year ended 31 March 2024
Weighted average number of equity shares outstanding during the year	770,416	770,416

23 Provisions

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Provisions for employee benefits				
Liability for gratuity (refer note 27)	5.25	4.31	2.12	2.73
Liability for compensated absences	1.45	2.55	0.83	1.24
	6.70	**6.86**	**2.95**	**3.96**

24 Trade payables

	31 March 2025	31 March 2024
Trade payables to related parties (refer note 29)	56.01	37.45
Due to Micro & Small Industries (refer note 30 for details of dues to MSMED)	-	5.84
Other trade payables	11.02	44.01
	67.03	**87.30**
Current portion	67.03	87.30
Non-current portion	-	-

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

Ageing of trade payables from the due date of payment:

Monday, March 31, 2025	**Not due**	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3**	**Total**
Undisputed dues - MSME	-	-	-	-	-	-
Undisputed dues - Others	11.02	-	-	-	-	11.02
Intercompany	10.99	45.02	-	-	-	56.01
Total	**22.01**	**45.02**	**-**	**-**	**-**	**67.03**

Sunday, March 31, 2024	**Not due**	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3**	**Total**
Undisputed dues - MSME	5.84	-	-	-	-	5.84
Undisputed dues - Others	18.13	13.88	8.13	3.88	-	44.01
Intercompany	2.56	28.07	6.82	-	-	37.45
Total	**26.53**	**41.95**	**14.95**	**3.88**	**-**	**87.30**

25 Other financial liabilities (current)

	31 March 2025	31 March 2024
Amount due to employees	11.85	15.35
	11.85	**15.35**

26 Other current liabilities

	31 March 2025	31 March 2024
Statutory dues	3.44	6.07
	3.44	**6.07**

27 Employee benefits

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund (PF) and employees' state insurance (ESI) scheme which are defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to PF and ESI for the year is INR 6.08 lakhs (Year ended 31 March 2024 : INR 7.06 lakhs).

Defined benefit plan

Provision for gratuity	**31 March 2025**	**31 March 2024**
Current portion	2.12	2.73
Non-current portion	5.25	4.31

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

	31 March 2025	**31 March 2024**
Net defined benefit liability for Gratuity	7.37	7.02

A. Funding

The Gratuity plan of the Company is an unfunded plan.

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

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

Reconciliation of present value of defined benefit obligation	**31 March 2025**	**31 March 2024**
Balance at the beginning of the year	7.02	7.27
Benefits paid	-	(2.67)
Current service cost	1.28	0.99
Interest cost	0.42	0.41
Actuarial (gains) losses recognised in other comprehensive income	(1.35)	1.03
Balance at the end of the year	**7.37**	**7.02**

C. Expense recognised in profit or loss

	31 March 2025	**31 March 2024**
Current service cost	1.28	0.99
Interest cost	0.42	0.41
	1.70	**1.40**

D. Remeasurements recognised in other comprehensive income

	31 March 2025	**31 March 2024**
Actuarial (gain)/loss on defined benefit obligation	(1.35)	1.03
	(1.35)	**1.03**

E. Defined benefit obligation

i. Actuarial assumptions

Principal actuarial assumptions at the reporting date are as follows,

	31 March 2025	**31 March 2024**
Discount rate	6.54%	7.19%
Future salary growth	7.00%	10.00%
Attrition rate	31.90%	29.00%

ii. Sensitivity analysis

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

	31 March 2025		**31 March 2024**	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(0.19)	0.21	(0.22)	0.25
Future salary growth (1% movement)	0.24	(0.23)	0.27	(0.24)
Attrition rate (1% movement)	(0.03)	0.03	(0.06)	0.06

28 Capital commitments and contingent liabilities

	31 March 2025	31 March 2024
Contingent liabilities :		
GST related matters	302.39	95.80
VAT related matters	1.33	-

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.

29 Related party disclosures

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

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

B. Transaction with key managerial personnel

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

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

	Year ended 31 March 2025	Year ended 31 March 2024
Transaction during the year:		
Income from logistics services		
TVS Supply Chain Solutions Limited	110.74	118.68
Sale of Fixed Assets		
TVS Supply Chain Solutions Limited	-	27.74
Rent		
TVS Mobility Private Limited	2.00	4.00
Cross Charge Expenses		
TVS Supply Chain Solutions Limited	11.06	30.63

	31 March 2025	31 March 2024
D. Year end balances		
Receivables		
TVS Supply Chain Solutions Limited	63.50	131.13
Payables		
TVS Supply Chain Solutions Limited	56.01	37.45

Terms and Conditions of Transactions with Related Parties

(a) Logistics services income from related parties are on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. Such transactions generally include payment terms requiring related parties to make payments within 30 to 60 days from the date of invoice.

(b) Rental expenses paid by the Company to the related parties is based on the prevailing market prices on a arm's length basis.

(c) The Company pays cross charges to the holding company, TVS Supply Chain Solutions Limited based on the invoice raised by them. These were calculated based on the common expenses incurred by the Parent entity apportioned to the holding company with a reasonable / arm's length mark-up.

(d)Trade receivables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been received against these receivables. The amounts are recoverable within 30 to 60 days from the reporting date (March 31, 2024: 30 to 60 days from the reporting date). For the year ended March 31, 2025, the Group has not recorded any impairment on receivables due from related parties.

(e)Trade payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been given against these payables. The amounts are payable within 30 to 60 days from the reporting date (31 March 2024: 30 to 60 days from the reporting date).

30 Dues to Micro and Small Enterprises

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED"). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2025 and 2024 has been made in these financial statements based on information received and available with the Company, to the extent identified by the management.

	31 March 2025	31 March 2024
The amounts remaining unpaid to micro and small suppliers as at end of the accounting year		
-Principal	-	5.84
-Interest		
The amount of payments made to micro and small suppliers beyond the appointed day during each accounting year	-	22.17
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	-	-

31 Financial instruments - Fair value and risk management

A Accounting classifications and fair values

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

		As at 31 March 2025			As at 31 March 2024		
Particulars	**Note**	**Amortised cost**	**FVTPL**	**FVTOCI**	**Amortised cost**	**FVTPL**	**FVTOCI**
Assets:							
Cash and cash equivalents	17	275.72	-	-	226.92	-	-
Trade receivables	16	63.50	-	-	131.01	-	-
Deposits and other receivables	15	18.81	-	-	5.43	-	-
Other Financial Assets	19	4.44	-	-	-	-	-
Total		**362.47**	**-**	**-**	**363.36**	-	-
Liabilities:							
Trade payables	24	67.03	-	-	87.30	-	-
Other financial liabilities	25	11.85	-	-	15.35	-	-
Total		**78.88**	**-**	**-**	**102.65**	**-**	**-**

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

B Financial risk management

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

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

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

(i) Market risk

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

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

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

31 Financial instruments (continued)

(ii) Credit risk

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

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

	Carrying amount	
	31 March 2025	**31 March 2024**
Cash and cash equivalents	275.72	226.92
Trade receivables	63.50	131.01
Deposits and other receivables	18.81	5.43
Other Financial Assets	4.44	-
Total	**362.47**	**363.36**

Trade and other receivables

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

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

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

31 Financial instruments (continued)

(ii) Credit risk (continued)

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

As at 31 March 2025

Age	Gross carrying amount	Weighted average loss rate	Loss allowance
Not due	9.06	2.63%	0.24
Past due 1-90 days	8.01	0.0%	-
Past due 91-180 days	2.04	100.00%	2.04
Past due 181-365 days	3.14	6.78%	0.21
Past due for more than 365 days	109.64	60.1%	65.91
	131.89		**68.40**

As at 31 March 2024

Age	Gross carrying amount	Weighted average loss rate	Loss allowance
Not due	42.93	0.87%	0.37
Past due 1-90 days	35.96	0.00%	1.86
Past due 91-180 days	4.76	23.26%	1.11
Past due 181-365 days	6.94	53.71%	3.73
Past due for more than 365 days	111.78	57.52%	64.29
	202.37		**71.36**

31 Financial instruments (continued)

(ii) Credit risk (continued)

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

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

	31 March 2025	31 March 2024
Balance at the beginning of the year	(71.36)	(60.43)
Add : Provision for the year		
Less: Provision written back	2.96	(10.93)
Less: Provision withdrawn against bad debts written off	-	-
Balance as at the end of the year	**(68.40)**	**(71.36)**

Cash and cash equivalents

The Company holds cash and bank balances of INR 275.72 Lakhs as at 31 March 2025 (31 March 2024: INR 226.92 Lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables

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

(iii) Liquidity risk

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

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities as of 31 March 2025

		Contractual cash flows				
	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	67.03	67.03	67.03	-	-	-
Other financial liabilities	11.85	11.85	11.85	-	-	-
	78.88	**78.88**	**78.88**	**-**	**-**	**-**

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

		Contractual cash flows				
	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	87.30	148.83	148.83	-	-	-
Other financial liabilities	15.35	19.79	19.79	-	-	-
	102.65	**168.62**	**168.62**	**-**	**-**	**-**

32 Ratios Analysis

Ratios	Numerator	Denominator	31 March 2025	31 March 2024	Variance	Variance %
Current ratio	Current assets	Current liabilities	5.42	3.22	2.20	68%
Return on equity	Profit / (loss) attributable to Owners of the Company	Shareholder's equity	0.17	0.20	(0.03)	-14%
Trade receivable turnover ratio	Net credit sales = Gross credit sales - sales return	Average trade receivable	3.43	3.97	(0.54)	-14%
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	0.89	2.05	(1.16)	-57%
Net profit percentage	Net profit	Net sales = Total sales - sales return	0.23	0.14	0.08	60%
Return on capital employed	Earnings before interest and taxes	Capital employed = Tangible net worth + total debt + deferred tax liability	0.26	0.42	(0.16)	-38%

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

Current ratio : The variance in ratio can be attributable to fixed deposits made during the current year.

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

Net profit percentage : The variance in ratio can be attributable to decrease in depreciation during the current period under audit vis-à-vis previous year

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

33 Other Statutory Information

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

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

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

Crypto transactions
The Company has not traded or invested in crypto currency or virtual currency during March 31, 2025 and March 31, 2024.

Disclosure on funding transactions
There are no funds that have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate

There are no funds that have been received by the company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

34 Audit Trail
The company has used accounting software for maintaining its books of account, which includes a feature for recording an audit trail (edit log). This feature has been operational throughout the year for all relevant transactions recorded in the software. Further, there have been no instances of the audit trail feature being tampered with. Additionally, the audit trail records of prior year have been preserved by the company in accordance with the statutory requirements for record retention.

35 Backup of Books of Accounts
Proper books of accounts as required by the law have been kept by the Company. Backup of the books of accounts (including audit trail) and papers are maintained in electronic mode on servers physically located in India.

36 Prior year figures
Previous year figures have been regrouped / reclassified, where necessary, to conform to current year's classification.

As per our report of even date attached

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

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

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : 26 May 2025

S Ravichandran
Director
DIN : 01485845

Place : Chennai
Date : 26 May 2025

B Subramanian
Director
DIN : 08270940

Place : Chennai
Date : 26 May 2025

SPC International (India) Private Limited

FY 2024-25

INDEPENDENT AUDITORS' REPORT

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

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of SPC INTERNATIONAL (INDIA) PRIVATE LIMITED (FORMERLY KNOWN AS ENOVATEK TECHNOLOGY SERVICES PRIVATE LIMITED) ("the Company"), which comprise the balance sheet as at March 31, 2025, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its Profits ,cash flows and changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Key audit matters

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

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

Information other than the financial statements and auditors' report thereon

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

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

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

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

Management's responsibility for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on other legal and regulatory requirements

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

As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

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

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

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

(e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

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

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

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

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

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

d. Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(is), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

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

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

FOR **B.P.JAYARAMA IYER & Co**,

Chartered Accountants
Firm Reg. No. 001304S

(N.SEKAR)
PARTNER
Membership No. 019439
Place: Bengaluru
Dated: 30-04-2025
UDIN: 25019439BMRJTL5018

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ANNEXURE(A) REFERRED TO IN PARAGRAPH 1 OF INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF M/s. SPC INTERNATIONAL (INDIA) PRIVATE LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2025.

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

1) A)

(a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

(b) The company does not have any intangible assets. Therefore, this clause is not applicable.

B) The Property, Plant & Equipment have been physically verified by the management at reasonable intervals.

C) The Company does not have any immovable properties. Therefore, this clause is not applicable

D) The company has not revalued its Property, Plant & Equipment or Intangible assets or both during the year.

E) No proceedings have been initiated against the company for holding benami property under The Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

2)

A) Physical verification of inventory has been conducted at reasonable intervals by management. In our opinion, the coverage and procedure by the management is appropriate. The aggregate of discrepancies of 10% or more in each class of inventory noticed have been properly dealt with in the books of account.

B) Based on our audit procedures & according to the information and explanation given to us, the Company has not been sanctioned loan in excess of five crore rupees from banks or financial institution on the basis of security of current assets and hence the question of filing quarterly returns or statements by the company with such banks or financial institutions does not arise. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.

3) Based on our audit procedures & according to the information and explanation given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

4) The company has not given any loans or guarantees/made any investments within the meaning of sections 185 & 186 of The Companies Act, 2013.

5) The company has not accepted any deposits from the public in terms of Section 73 to 76 or any other relevant provisions of the Companies Act,2013.

6) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the products manufactured by the company.

7)

A) According to the information and explanations given to us and the records of the Company examined by us, except for a few delays, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities.
B) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) as at 31 March 2025, which have not been deposited with the appropriate authorities on account of any dispute.

8) Based on our audit procedures and as per the information and explanations given by the management, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

9)

A) Based on our audit procedures and as per the information and explanations given by the management, the Company has not taken any loan during the year and hence has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender,

B) The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

C) According to the information and explanations given to us and the records of the Company examined by us, there were no term loans taken by the Company and hence the question of the amount of loan so diverted and the purpose for which it is used does not arise. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.

D) According to the information and explanations given to us and the records of the Company examined by us, there were no funds raised on short term basis by the Company. Accordingly, paragraph 3(ix)(d) of the Order is not applicable to the Company.

E) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture and hence the question of the Company taking loan from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies does not arise. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.

F) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture and hence the question of the Company raising any loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies does not arise. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

10)

A) According to the information and explanations given to us, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year and hence the question of whether money raised were applied for the purposes for which those are raised does not arise. Accordingly, paragraph 3(x) of the Order is not applicable to the Company.

B) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence the question of whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised does not arise. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

11)

A) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

B) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government

C) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.

12) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

13) Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the standalone financial statements as required by the Indian accounting standard Related Party Disclosures (Ind AS 24).

14)

A) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
B) The reports of the Internal Auditors for the period under audit has been considered.

15) On the basis of the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

16)

A) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).
B) Based on our audit procedures and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

C) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.
D) Based on our audit procedures and according to the information and explanations given to us, none of the group companies are Core Investment Company (CIC) and hence the question of number of CICs which are part of the Group does not arise. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable to the Company.

17) Based on our audit procedures and according to the information and explanations given to us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

18) There has not been any resignation of the statutory auditors during the year.

19) On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report of the Company's capability of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

20)

A) Based on our audit procedures and according to the information and explanations given to us, in respect of other than ongoing projects, the Company having spent the required amount, there is no amount pending to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

B) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to transfer unspent amount under sub-section (5) of section 135 of the Companies Act, pursuant to ongoing project to special account in compliance with provision of sub-section (6) of section 135. Accordingly, paragraph 3(xx)(b) of the Order is not applicable to the Company.

21) The Company does not have any subsidiary, associate or joint venture and hence there is no consolidated financial statements prepared and hence the question of whether there have been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements does not arise. Accordingly, paragraph 3(xxi) of the Order is not applicable to the Company.

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

(N.SEKAR)
PARTNER
Membership No. 019439
Place: Bengaluru
Dated: 30-04-2025
UDIN: 25019439BMRJTL5018

Annexure -B

Other Regulatory Information

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

i) The company does not have any pending litigations which would impact its financial position, except a few cases challenging land acquisitions, which are pending disposal, the financial impact if any, cannot be quantified at this stage.

ii) The company does not have any long-term contracts requiring a provision for material foreseeable losses.

iii) The company does not have any amounts required to be transferred to the Investor Education and Protection Fund.

iv) The company has not advanced any funds to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than those disclosed in the notes to accounts.

v) The company has not received any funds from any persons or entities, including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than those disclosed in the notes to accounts

vi) The company has not declared or paid any dividend during the year.

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

(N.SEKAR)
PARTNER
Membership No. 019439
Place: Bengaluru
Dated: 30-04-2025
UDIN: 25019439BMRJTL5018

SPC International India Private limited
CIN:U72501KA2008PTC048570
4/11,Hosur Main Road, Near Oxford College,Bommanahalli,Bangalore-560068
Balance sheet as at 31 March 2025
(All amounts are in Rupees in crores except share data and otherwise stated)

	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	15A	0.59	0.66
Capital work-in-progress	15B	-	-
Goodwill	16A	-	-
Other Intangible assets	16A	-	-
Intangibles under development	15B	-	-
Right-of-use assets	16B	2.86	0.42
Equity accounted investees	17	-	-
Financial assets			
Investments	19	-	-
Trade receivables	21	-	-
Loans	22	-	-
Other bank balances	28	-	-
Deposits and other receivables	23	0.30	0.33
Other financial assets	24	-	-
Non current tax assets (net)	25	-	-
Deferred tax assets (net)	14	0.28	0.24
Other non current assets	26	-	-
Total non - current assets		**4.02**	**1.65**
Current Assets			
Inventories	20	4.29	3.98
Financial assets			
Investments	19	-	-
Trade receivables	21	4.96	5.98
Cash and cash equivalents	27	6.06	2.60
Other bank balances	28	3.44	2.54
Loans	22	-	-
Deposits and other receivables	23	0.68	0.48
Other financial assets	24	0.00	0.00
Current tax assets (net)	25	1.02	0.71
Other current assets	29	0.88	1.91
Total current assets		21.33	18.20
Assets classified as held for sale		-	-
Subtotal		**21.33**	**18.20**
Total Assets		**25.36**	**19.86**

EQUITY AND LIABILITIES			
Equity			
Share capital	30	0.51	0.51
Other Equity		17.68	14.77
Share application money pending allotment		-	-
Reserves of a disposal group held for sale		-	-
Equity attibutable to equity holders of the parent		**18.19**	**15.28**
Non controlling interest	18	-	-
Total Equity		**18.19**	**15.28**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	32	-	-
Lease liability	16B	1.51	0.06
Other financial liabilities	36	-	-
Provisions	34	-	-
Deferred tax liabilities (net)	14	-	-
Non current tax liabilities (net)	25		
Other non current liabilities	37	-	-
Deferred Income	33	-	-
Total Non-current liabilities		**1.51**	**0.06**
Current liabilities			
Financial Liabilities			
Borrowings	32	-	-
Lease liability	16B	1.47	0.43
Trade payables			
-Total outstanding dues of micro enterprises and small enterprises	35	0.33	0.46
-Total outstanding dues of creditors other than micro enterprises and small enterprises	35	1.66	1.65
Other financial liabilities	36	0.54	-
Provisions	34	0.10	0.63
Current tax liabilities (net)	25	0.98	1.00
Other current liabilities	38	0.58	0.33
Deferred Income	33	-	-
Total current liabilities		5.65	4.51
Liabilities directly associated with assets classified as held for sale		-	-
Subtotal		**5.65**	**4.51**
Total liabilities		**7.17**	**4.57**
Total Equity and liabilities		**25.35**	**19.85**

As per our report of even date

For B.P. Jayarama Iyer & Co
Chartered Accountants
FRN 001304S

For and behalf of the Board

N.Sekar
Partner
M.N. 019439
Place: Bengaluru
Date: 30-04-2025

Fernando Pugnaire Luengo
Director
DIN:10042797

S.Subramanian
Director
DIN:07826275

SPC International India Private limited
CIN:U72501KA2008PTC048570
4/11,Hosur Main Road, Near Oxford College,Bommanahalli,Bangalore-560068
Statement of Profit and Loss for the year ended 31 March 2025
(All amounts are in Rupees in crores except share data and otherwise stated)

	Notes	Year ended 31 March 2025	Year ended 31 March 2024
Continuing Operations			
Revenue from operations	6	24.13	22.42
Other income	7	0.40	0.15
Total income		**24.53**	**22.58**
Expenses			
Freight, clearing, forwarding and handling charges		0.17	0.14
Sub-contracting costs and casual labour charges		0.75	0.79
Cost of materials consumed	8	12.46	12.71
Purchase of stock in trade	9A	-	-
Change in inventory of stock in trade	9B	0.57	(0.59)
Impairment losses on financial instrument		0.00	-
Employee benefits expense	10	3.79	3.88
Finance costs	11	0.21	0.10
Depreciation and amortization expense	12	1.33	1.07
Other expenses	13	1.41	1.21
Total expenses		**20.68**	**19.31**
Profit/(loss) before exceptional items, share of profit of equity accounted investees and income tax from continuing operations		**3.85**	**3.26**
Exceptional items		**-**	-
Share of profit / (loss) of equity accounted investees (net of tax)	17	-	-
Profit/ (loss) before tax from continuing operations		**3.85**	**3.26**
Income tax expense			
Current Tax		0.98	1.00
Adjustment for tax relating to earlier periods		-	-
Deferred tax (expense/(credit))	14	(0.04)	(0.01)
Total tax expenses		**0.94**	**0.99**
Profit / (loss) from continuing operations		**2.91**	**2.27**
Discontinued operation			
Profit / (loss) from discontinued operation		-	-
Tax expense of discontinued operation		-	-
Profit / (loss) from discontinued operations		**-**	**-**
Profit/(Loss) for the period		**2.91**	**2.27**

Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		-	-
Equity investments through other comprehensive income - net change in fair value			
Income tax relating to items that will not be reclassified to profit or loss	14	-	-
Net other comprehensive income not to be reclassified to profit or loss		**-**	**-**
Items that will be reclassified subsequently to profit or loss			
Income-tax relating to items that will be reclassified to profit or loss	14		
Net other comprehensive income to be reclassified subsequently to profit or loss		**-**	**-**
Other comprehensive income for the period, net of tax		**-**	**-**
Total comprehensive income for the period		**2.91**	**2.27**
Profit/(Loss) attributable to :			
Owners of the Company		2.91	2.27
Non-controlling interests	18	-	-
Profit/(Loss) for the period		2.91	2.27
Other comprehensive income attributable to :			
Owners of the Company			
Non-controlling interests	**18**	-	-
Other comprehensive income for the period		-	-
Total comprehensive income attributable to :			
Owners of the Company		2.91	2.27
Non-controlling interests		-	-
Total comprehensive income for the period		2.91	2.27
Earnings/(loss) per share	**31**		
Basic (INR)		569.97	445.55
Diluted (INR)		569.97	445.55

As per our report of even date

For B.P. Jayarama Iyer & Co
Chartered Accountants
FRN 001304S

For and behalf of the Board

N.Sekar
Partner
M.N. 019439
Place: Bengaluru
Date:30-04-2025

Fernando Pugnaire Luengo
Director
DIN:10042797

S.Subramanian
Director
DIN:07826275

SPC International India Private limited

Statement of changes in equity for the year ended 31 March 2025

(All amounts are in Rupees in crores except share data and otherwise stated)

B Other equity

	Equity Share Capital	Attributable to owners of the Company													Attributable to Non controlling interest	Total
		Reserves and Surplus							Items of OCI							
		Copmulsorily convertible non-cummulative	Equity component of convertible debentures	Securities premium reserve	Capital Redemption Reserve	General reserve	Retained earnings	Reserves of a disposal group held for sale	Other reserves	Exchange differences on translation of foreign	Effective portion of cas flow hedge	Equity/ Debt instruments through OCI	Other items of OCI	Total attributable to the owners of the Company		
Balance as at 01 April 2024	0.51	-	-	-	-	-	14.77		-	-	-	-	-	14.77	-	14.77
Changes in accounting policy														-		-
Changes due to prior period errors														-		-
Restated balance as at 01 April 2024	0.51	-	-	-	-	-	14.77	-	-	-	-	-	-	14.77	-	14.77
Total comprehensive income for the Year ended 31 March 2025																
Profit / (loss) for the period							2.91							2.91		2.91
Other comprehensive income (net of tax)														-		-
Total comprehensive income	-	-	-	-	-	-	**2.91**	-	-	-	-	-	-	**2.91**	-	**2.91**
Changes in equity share capital														-		-
Transactions with owners recorded directly in equity														-		-
Contributions by and distribution to owners														-		-
Issue of equity shares for cash														-		-
Issue of equity shares persuant to business combination														-		-
Dividends														-		-
Dividend distribution tax														-		-
Share based payments														-		-
Share options excercised														-		-
Amount transferred between the reserves														-		-
Expenses incurred in connection with issue of shares														-		-
Conversion of quasi-equity loan from holding company to share capital														-		-
Total contributions by and distributions to owners (A)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries that do not result in loss of control																
Acquisition of non-controlling interests														-		-
Impact of forward obligations/ options for acquisition of minority interest														-		-
Total changes in ownership interests in subsidiaries (B)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners (A+B)	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-
Balance as at 31 March 2025	**0.51**	-	-	-	-	-	**17.68**	-	-	-	-	-	-	**17.68**	-	**17.68**

Balance as at 01 April 2023	0.51						12.50							12.50		12.50
Changes in accounting policy														-		-
Changes due to prior period errors														-		-
Restated balance as at 01 April 2023	0.51	-	-	-	-	-	12.50	-	-	-	-	-	-	12.50	-	12.50
Total comprehensive income for the year ended 31 March 2024														-		
Profit / (loss) for the period							2.27							2.27		**2.27**
Other comprehensive income (net of tax)														-		-
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**2.27**	**-**	**-**	**-**	**-**	**-**	**-**	**2.27**	**-**	**2.27**
																-
Changes in equity share capital														-		-
Transactions with owners recorded directly in equity														-		
Contributions by and distribution to owners														-		
Issue of equity shares for cash														-		-
Issue of equity shares persuant to business combination														-		-
Dividends														-		-
Dividend distribution tax														-		-
Share based payments														-		-
Share options excercised														-		-
Amount transferred between the reserves														-		-
Expenses incurred in connection with issue of shares														-		-
Total contributions by and distributions to owners (A)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
																-
Changes in ownership interests in subsidiaries that do not result in loss of control																-
Acquisition of non-controlling interests														-		-
Impact of forward obligations/ options for acquisition of minority interest														-		-
Total changes in ownership interests in subsidiaries (B)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total transactions with owners (A+B)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 31 March 2024	**0.51**	**-**	**-**	**-**	**-**	**-**	**14.77**	**-**	**-**	**-**	**-**	**-**	**-**	**14.77**	**-**	**14.77**

SPC International India Private limited
CIN:U72501KA2008PTC048570
4/11,Hosur Main Road, Near Oxford College,Bommanahalli,Bangalore-560068
Consolidated statement of cash flows for the year ended 31 March 2025
(All amounts are in Rupees in crores except share data and otherwise stated)

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
Cash flow from/ (used in) operating activities			
Profit/ (loss) before tax from continuing operations.		3.85	3.26
Profit/ (loss) before tax from discontinuing operations.			
Adjustments for:			
Depreciation of property, plant and equipment		0.15	0.15
Amortisation of intangibles			
Amortisation of ROU assets		1.17	0.91
(Reversal of)/ impairment loss on property, plant and equipment and intangible assets		0.01	0.00
Finance costs of Lease Obligation		0.21	0.10
Interest income		(0.34)	(0.15)
Operating profit/ (loss) before changes in opeating assets		**5.05**	**4.28**
Change in operating assets and liabilities			
(Increase) / decrease in inventories		(0.31)	(0.40)
(Increase) / decrease in trade receivables		1.02	(0.90)
(Increase) / decrease in other current and non-current, financial and non-financial assets		0.58	(0.88)
Increase / (decrease) in trade payables		(0.13)	0.62
Increase / (decrease) in provisions		(0.53)	0.33
Increase / (decrease) in other current and non-current financial and non-financial liabilities		0.79	(0.20)
Cash generated from operating activities		**6.46**	**2.84**
Income taxes paid, net of refunds		(1.02)	(0.71)
Net cash from/ (used in) operating activities		**5.44**	**2.13**
Cashflows from/(used in) investing activities			
Investment in bank deposits having an original maturity of more than three months		(0.90)	0.40
Interest received		0.34	0.15
Acquisition of property, plant and equipment		(0.08)	(0.27)
Net cash from/ (Used in) investing activities		**(0.64)**	**0.28**
Cash flows from/ (Used in) financing activities			
Payment of principal and interest payments of lease liability		(1.34)	(1.11)
Net cash from/ (used in) financing activities		**(1.34)**	**(1.11)**
Net increase/ (decrease) in cash and cash equivalents		**3.46**	**1.30**
Cash and cash equivalents as at the beginning of the period		2.60	1.29
Effects of exchange rate changes on cash and cash equivalents			
Cash and cash equivalents as the end of the period	**27**	**6.06**	**2.60**

* Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management

As per our report of even date

For B.P. Jayarama Iyer & Co
Chartered Accountants
FRN 001304S

For and behalf of the Board

N.Sekar
Partner
M.N. 019439
Place: Bengaluru
Date: 30-04-2025

Fernando Pugnaire Luengo
Director
DIN:10042797

S.Subramanian
Director
DIN:07826275

SPC International India Private limited

Notes to the consolidated financial statements for the Year ended 31 March 2025

(All amounts are in Rupees in crores except share data and otherwise stated)

1 Reporting entity

SPC international India Pvt Ltd was a 100 % subsidiary of SPC International U.K till the entire shareholidings were transferred to TVS Logistics Services Limited on 13th November 2017. The said transfers have been approved by the company and registered the transfers at its Board Meeting held on 13th of November, 2017. The actual share transfers were recorded on 24th January 2018. The company is into service, refurbishment of ATM Parts for NCR the ATM manufacterer . Other activities include the refurbishment, repair of cash dispensors for Delhi Metro Rail Corporation . The company is the sole Authorised Service provider for Crane Payment Innovation a Geneva based Multinational the manufacturer of payment solutions equipments like bill and coin validators, cash dispensors etc

2 Basis of preparation

A Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the reporting requirements of the holding company.

The Company's consolidated financial statements up to and for the Year ended 31 March 2025 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act

These financial statements were authorised for issue by the Company's Board of Directors on 30th April 2025

Details of the accounting policies are included in Note 3.

B Functional and presentation currency

These financial statements are presented in Indian Rupees, which is also the Company's functional currency. All amounts have been rounded-off to the Crores, unless otherwise stated.

C Basis of measurement

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

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Contingent consideration in business combination	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit

D Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

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

Property, plant and equipment and intangible assets – useful lives

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

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

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

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered external credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

Assets and obligations relating to employee benefits

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

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a DCF model. The estimated cash flows are developed based on internal forecasts and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to Property, Plant and Equipment , Goodwill and Other intangibles with indefinite useful lives recognised by the Company. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed in Note 16A.

Lease classification, termination and renewal option of leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that the Company will continue the lease beyond non-cancellable period and whether any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the terminating the lease and the importance of the underlying asset to Company's operations taking in to account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no material changes are required to lease period relating to the existing lease contracts.

Assumptions and estimation uncertainties

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

- Note 14 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 16A - Impairment testing for goodwill
- Note 36 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 43 – impairment of financial assets.

E Estimation of uncertainties relating to the global health pandemic from COVID-19

COVID-19 pandemic has affected several countries of the world, including India, resulting in significant volatility in financial markets and a significant decrease in global and India's economic activities. Consequent lockdowns and varying restrictions imposed by the Central and various State Governments, over a period of time depending on the severity of the outbreak, has led to significant disruptions and dislocations of individuals and business.

A detailed assessment has been carried out by the Group for each business segment with regards to impact on revenue, costs and other financial statement metrics. Impact due to any extended credit terms, cancelled orders, change in contractual terms, price concession request, onerous obligations etc. were comprehensively evaluated for any risk due to Covid-19 on revenue recognized and collectability thereof. No material impact has been noted in this impact assessment.

In assessing the recoverability of its assets including receivables, property, plant and equipment, intangibles, investments, goodwill etc., the Group has considered internal and external information up to the date of approval of these financial statements including economic forecasts. The Group has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. While the Group expects to address all challenges from the pandemic, it continues to monitor these matters and the estimates and judgements used in the preparation of these financial statements. Given the dynamic and evolving nature of this pandemic, these estimates are subject to uncertainties and may be affected by the severity and duration of the pandemic and consequential impact on the economy.

2 Basis of preparation (continued)

F Measurement of fair values

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

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

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

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 39A - Business combinations
- Note 43 – financial instruments

3 Material accounting policies

A Basis of consolidation

i. Business combinations

In accordance with Ind AS 103, the Company accounts for the business combinations using the acquisition method when control is transferred to the Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Acquisition related costs are expensed as incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. The determination of the amount to be included in consideration transferred is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

3 Material accounting polices (continued)

A Basis of consolidation (continued)

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii. Non-controlling interests (NCI)

An entity has a choice on a combination-by-combination basis to measure any NCI that represents present ownership interest in the acquiree at either fair value or the proportionate share of the acquiree's net identifiable assets. In respect of business combinations effected so far, the Group has elected one of the two approaches on a combination by combination basis.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iv. Loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

v. Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates and joint ventures.

When the Group has with other parties joint control of the arrangement and rights to the net assets of the joint arrangement, it recognises its interest as joint ventures. Joint control exists when the decisions about the relevant activities require unanimous consent of the parties sharing the control. When the Group has significant influence over the other entity, it recognises such interests as associates. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control over the entity.

The results, assets and liabilities of joint ventures and associates are incorporated in the consolidated financial statements using equity method of accounting after making necessary adjustments to achieve uniformity in application of accounting policies, wherever applicable.

An investment in joint venture or associate is initially recognised at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the joint venture or associate. Gain or loss in respect of changes in other equity of joint ventures or associates resulting in divestment or dilution of stake in the joint ventures and associates is recognised in the Statement of Profit and Loss. On acquisition of investment in a joint venture or associate, any excess of cost of investment over the fair value of the assets and liabilities of the joint venture and associate, is recognised as goodwill and is included in the carrying value of the investment in the joint venture and associate. The excess of fair value of assets and liabilities over the investment is recognised directly in equity as capital reserve. The unrealised profits/losses on transactions with joint ventures and associates are eliminated by reducing the carrying amount of investment. The carrying amount of investment in joint ventures and associates is reduced to recognise impairment, if any, when there is evidence of impairment.

When the Group's share of losses of a joint venture or an associate exceeds the Group's interest in that joint venture or associate (which includes any long term interests that, in substance, form part of the Group's net investment in the joint venture or associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate.

vi. Obtaining control over existing investment

The difference between the fair value of the initial interest as the date of obtaining control and its book value has been recognised in the statement of profit and loss.

vi. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

B Foreign currency

i. Foreign currency transactions

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

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

Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective
- qualifying cash flow hedges to the extent that the hedges are effective.

3 Material accounting polices (continued)

C Financial instruments

i. Recognition and initial measurement

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

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

ii. Classification and subsequent measurement

Financial assets

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

- amortised cost;
- FVTPL

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

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

− the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

− the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets: Subsequent measurement and gains and losses

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

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii. Derecognition

Financial assets

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

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

Financial liabilities

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

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

iv. Offsetting

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

v. Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments, such as forward currency contracts, interest rate/cross currency swaps etc to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability

3 Material accounting polices (continued)

C Financial instruments (continued)

For the purpose of hedge accounting, hedges are classified as:

(i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment

(ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

(iii) Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedge

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

(ii) Cash flow hedge

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company also may separate forward element and the spot element of a forward contract and designate as the hedging instrument only the change in the value of the spot element of a forward contract.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

When an entity separates the forward element and the spot element of a forward contract and designates as the hedging instrument only the change in the value of the spot element of the forward contract, such amount is recognised in OCI and accumulated as a separate component of equity under cost of hedging reserve. These amounts are reclassified to the statement of profit or loss account as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss or when the hedged item is a non-financial asset or non-financial liability, the amounts recognised in cost of hedging reserve are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(iii) Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit or loss (as a reclassification adjustment).

3 Material accounting polices (continued)

D Property, plant and equipment

i. Recognition and measurement

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

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

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

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

ii. Subsequent expenditure

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

iii. Depreciation

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

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

Asset	Management estimate of useful life (in years)
Buildings	N.A
Plant and Machinery	15 years
Furniture and fixtures	10 years
Vehicles	N.A
Office equipment	5 years
Computer equipment	3 years
Leasehold improvements	N.A

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

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

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

E Goodwill and other intangibles

i. Goodwill

For measurement of goodwill that arises on a business combination see note 5. Subsequent measurement is at cost less any accumulated impairment losses.

ii. Other intangible assets

Other intangible assets including those acquired by the Group in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

iii. Subsequent expenditure

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

iv. Amortisation

Goodwill is not amortised and is tested for impairment annually.

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

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

Asset	Management estimate of useful life (in years)
Patents and trademarks	5 years
Customer relationship and others	
Brands	
Computer software	3 years

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

3 Material accounting polices (continued)

F Inventories

Inventories consist of packing materials, stores, stock in trade and spare parts and are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

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

G Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on

- financial assets measured at amortised cost.

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

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

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

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

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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

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

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

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

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

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

ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested for impairment annually.

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

Goodwill arising from a business combination is allocated to CGUs or Companys of CGUs that are expected to benefit from the synergies of the combination.

3 Material accounting polices (continued)

G Impairment (continued)

ii. Impairment of non-financial assets (continued)

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

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

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

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

H Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Share-based payment transactions

Equity settled share based payment:

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an employee benefit expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Cash settled share based payment:

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

(iii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company and its subsidiaries in various geographies make contributions, generally determined as a specified percentage of employee salaries, in respect of qualifying employees in accordance with the local laws and regulations in the respective countries which are defined contribution plans. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

(iv) Defined benefit plans

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

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

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

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

3 Material accounting polices (continued)

H Employee benefits (continued)

(v) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

I Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

i. Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

J Contingent liabilities and contingent assets

Contingent liability is disclosed for all:

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

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

K Revenue

i. Rendering of services

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Such revenue is recognised upon the Company's performance of its contractual obligations and on satisfying all the following conditions:

(1) Parties to the contract have approved the contract and undertaken to perform their respective obligations;

(2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the "Transfer");

(3) Such contract contains specific payment terms in relation to the Transfer;

(4) Such contract has a commercial nature, namely, it will change the risk, time distribution or amount of the Company's future cash flow;

(5) The Company is likely to recover the consideration it is entitled to for the Transfer to customers.

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

Performance Obligations:

a) Transportation:

The Company's transportation segment generates revenue from providing freight and other transportation services for its customers. Certain accessorial services may be provided to customers under their transportation contracts, such as unloading and other incidental services. The transaction price is based on the consideration specified in the customer's contract. A performance obligation is created when a customer under a transportation contract submits a shipment note for the transport of goods from origin to destination. These performance obligations are satisfied over the period as the shipments move from origin to destination and revenue is recognized proportionally as a shipment moves and the related costs are recognized as incurred. Performance obligations are short-term, with transit days less than one week. Generally, customers are billed either upon shipment of the freight or on a monthly basis, and remit payment according to approved payment terms. The Company recognizes revenue on a net basis when the Company does not control the specific services.

b) Supply chain management

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

3 Material accounting polices (continued)

K Revenue (continued)

c) Telecommunication:

Telecommunication contract revenue arises from construction/ erection of towers for some of the Company's customers in the Telecommunications segment. These towers are constructed based on specifically negotiated contracts with customers by outsourcing the activities to sub-contractors. Transaction price includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. If the outcome of a contract can be estimated reliably, contract revenue is recognised in profit or loss over the period in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed (output method). Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognised as expenses as incurred unless they create an asset related to future contract activity. An expected loss on a contract is recognised immediately in profit or loss.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

d) Integrated logistics:

In respect of contracts where the Company provides a significant service of integrating two or more goods or services into a combined output (that is the specified good or service for which the customer contracted) and the inputs to the combined output is controlled by the Company, the Company controls that specified good or service before it is transferred to the customer. Revenues from such contracts are recognized upon substantial fulfilment of obligations under the contract.

e) Commission:

When the Company acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of revenue earned by the Company.

f) Sale of products

Revenue from sale of traded goods including telecommunication goods is recognised when the control of the same is transferred to the customer, generally on delivery of the goods and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated . In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Variable consideration:

Generally, the Company's contracts contain provisions for adjustments to pricing based on achieving agreed-upon performance metrics, changes in volumes, services and market conditions. Revenue relating to these pricing adjustments is estimated and included in the consideration if it is probable that a significant revenue reversal will not occur in the future. The estimate of variable consideration is determined either by the expected value or most likely amount method and factors in current, past and forecasted experience with the customer. Customers are billed based on terms specified in the revenue contract and remit payment according to approved payment terms.

Contract balances:

a) Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

3 Material accounting polices (continued)

L Leases

Group as a Lessor:

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Group as lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

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

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are subject to impairment (refer note 3 (G) (ii)).

(ii) Lease liabilities

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

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

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

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

(iv) Date of commencement of leases acquired under business combinations

The Group measures the lease liability at the present value of the remaining lease payments as at the acquisition date as if the acquired lease were a new lease as at that date. The Right-of-use asset is measured at the same amount as the lease liability plus or minus any asset or liability previously recognised in the original business combination accounting for the favourable or unfavourable lease terms.

(v) Key matters involving significant judgement

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

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

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

3 Material accounting polices (continued)

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

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

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

M Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

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

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

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

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

N Income tax

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

i. Current tax

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

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

ii. Deferred tax

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

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Uncertainty over Income Tax Treatment

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

If there is uncertainty over tax treatment of an item:

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

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

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3 Material accounting polices (continued)

O Borrowing cost

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

P Cash and cash equivalents

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

Q Cash flows

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

R Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

S Segment reporting

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

T Earnings per share

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

U Exceptional items

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

V Changes in accounting policies and disclosures

New and amended standards and interpretations:

(i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the financial statements of the Group.

(ii) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest

- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued

- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

(iii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS .includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the financial statements of the Group.

(iv) Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the financial statements of the Group.

(v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of “Recoverable amount” is amended such that the words “the higher of an asset’s fair value less costs to sell and its value in use” are replaced with “higher of an asset’s fair value less costs of disposal and its value in use”. The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Group.

4 Segment information

A Basis for segmentation

There are two geographical segments reported . The company is engaged in service, repair and refurbishement of ATM parts and cash dispensor parts

The following summary describes the operations in each of the Group's reportable segments:

Reportable segments	Operations
B India	Refurbishement and repair of ATM Parts and Cash dispensor machines
Europe	Sale of spares
Australia	Sale of spares

	India	Europe	Australia/Asia	Total reportable segments	Eliminations	Total
Segment revenue						
- External revenue	23.84	0.01	0.28	24.13	-	24.13
- Inter-segment revenue				-	-	-
Total segment revenue	**23.84**	**0.01**	**0.28**	**24.13**	**-**	**24.13**
Segment profit/ (loss) before income tax	**3.81**	**0.00**	**0.04**	3.85	-	**3.85**
Add:						
Other Income	0.34			0.34		**0.34**
Less:						
Depreciation and amortisation	1.33			1.33		1.33
Finance cost	0.21			0.21		0.21
Share based payments						-
Loss on foreign currency transactions and translations						-
Profit/(loss) before tax from continuing operations	**3.81**	**0.00**	**0.04**	**3.85**		2.66
Profit/(loss) before tax from discontiuned operations						-
Segment assets	25.36			25.36		25.36
Segment assets include:						
Investments accounted for using equity method				-		**-**
Capital expenditure during the period				-		-
Segment liabilities	7.17			7.17		7.17

Year ended 31 March 2024	Reportable segments					
	India	**Europe**	**Australia/Asia**	**Total reportable segments**	**Eliminations**	**Total**
Segment revenue						
- External revenue	22.27	0.00	0.15	22.42	-	22.42
- Inter-segment revenue				-	-	-
Total segment revenue	**22.27**	**0.00**	**0.15**	**22.42**	**-**	**22.42**
Segment profit/ (loss) before income tax	**3.24**	0.00	0.02	3.26		**3.26**
Add:						
Other Income	0.15			0.15		0.15
Share of profit / (loss) of equity accounted investees						-
Exceptional Items						-
Less:						
Depreciation and amortisation	1.07			1.07		1.07
Finance cost	0.10			0.10		0.10
Share based payments						-
Loss on foreign currency transactions and translations						-
Profit/(loss) before tax from continuing operations	**3.24**	**0.00**	**0.02**	**3.26**		2.25
Profit/(loss) before tax from discontiuned operations						-

Reconciliation of profits

	31 March 2025	31 March 2024
Segment results	3.85	3.26
Other income	0.34	0.15
Finance Cost	0.21	0.10
Others		
Segment results before taxation from continuing operations	3.85	3.26

Reconciliation of assets

	31 March 2025	31 March 2024
Segment assets	25.36	19.86
Goodwill & other intangibles assets		
Investments		
Loans		
Deposits and other receivables	0.30	0.33
Trade receivables	4.96	5.98
Deferred tax assets (net)	0.28	0.24
Other current assets	0.88	1.91
Total assets	31.77	28.32

	31 March 2025	31 March 2024
Segment liabilities	7.17	4.57
Borrowings		
Other financial liabilities		
Trade payables	1.99	2.12
Deferred tax liabilities (net)		
Other current liabilites	0.58	0.33
Total liabilities	7.17	4.57

C Geographical information

The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets have been based on the geographical location of the assets.

Revenue from operations	**31 March 2025**	**31 March 2024**
India	**23.84**	**22.27**
Rest of world *	**0.29**	**0.16**
	24.13	**22.42**

* Revenue from rest of the world is as per below

	31 March 2025	**31 March 2024**
Europe	0.01	0.00
Asia-Pacific	0.28	0.15
North America		
	0.29	**0.16**

Non current assets	**31 March 2025**	**31 March 2024**
India	3.45	**1.08**
Rest of world *		

* Non current assets from rest of the world is as per below

	31 March 2025	**31 March 2024**
Europe		
Asia-Pacific		
North America		
	-	-

Non-current assets exclude financial instruments, deferred tax assets, tax assets and post-employment benefit assets.

D Major customer - Revenue from customers that individually accounted for more than 10% of the revenues

	31 March 2025	**31 March 2024**
NCR CORPORATION INDIA PRIVATE LIMITED	21.55	21.96
CRANE PAYMENT INNOVATIONS	0.50	0.21
Delhi Metro Rail Corporation Limited	1.58	0.53

E Information about services rendered by the group

Revenue	**31 March 2025**	**31 March 2024**
Others- Refurbishment	23.26	21.75
Sale of spares	0.87	0.68
	24.13	**22.42**

6 Revenue from operations

	Year ended 31 March 2025	Year ended 31 March 2024
Sale of products	-	-
Sale of services		
Income from logistics services	24.06	22.36
	24.06	**22.36**
Other operating revenue		
Scrap sales	0.07	0.06
	0.07	**0.06**
Total	**24.13**	**22.42**

7 Other income

	Year ended 31 March 2025	Year ended 31 March 2024
Interest income under the effective interest method on items carried at amortised cost:		
Deposits with banks	0.34	0.15
Unrealised Exchange difference gain	0.00	-
Realised exchange difference gain	0.06	-
	0.40	**0.15**

8 Cost of materials consumed

	Year ended 31 March 2025	Year ended 31 March 2024
Inventory at the beginning of the period	3.37	3.56
Add : Purchases	13.34	12.53
Less : Inventory at the end of the period	(4.25)	(3.37)
Cost of materials consumed	**12.46**	**12.71**

9A Purchase of stock in trade

	Year ended 31 March 2025	Year ended 31 March 2024
Purchase of stock in trade	-	-
	-	**-**

9B Change in inventory of stock-in-trade

	Year ended 31 March 2025	Year ended 31 March 2024
Opening inventory	0.61	0.02
Closing inventory	(0.04)	(0.61)
	0.57	**(0.59)**

10 Employee benefits expense

	Year ended 31 March 2025	Year ended 31 March 2024
Salaries, wages and bonus	3.45	3.53
Contribution to provident and other funds	0.22	0.22
Staff welfare expenses	0.12	0.13
	3.79	**3.88**

11 Finance costs

	Year ended 31 March 2025	Year ended 31 March 2024
Interest on Lease Liabilities	0.21	0.10
	0.21	**0.10**

12 Depreciation and amortization expense

	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation of property, plant and equipment	0.15	0.15
Depreciation of right-of-use assets	1.17	0.91
Amortisation of intangible assets	-	-
	1.33	**1.07**

13 Other expenses

	Year ended 31 March 2025	Year ended 31 March 2024
Consumption of stores and spares	0.04	0.04
Power and fuel	0.12	0.12
Rates and taxes	0.02	0.04
Insurance	0.12	0.10
Repairs and maintenance		
Plant and machinery	-	-
Buildings	-	-
Others	0.15	0.15
Travelling and conveyance	0.16	0.10
Communication costs	0.07	0.07
Printing and stationery	0.02	0.02
Bank charges	0.01	0.03
Legal and professional fees	0.18	0.14
Security expenses	0.19	0.18
Payment to auditors	-	-
- as auditor	0.05	0.05
- for taxation matters	0.02	0.01
Unrealised Exchange difference loss	0.01	-
Realised Exchange difference loss	0.03	-
Exchange difference loss (Realised / Unrealised)	-	0.01
Provision for warranties	0.00	0.00
Loss on sale of property plant and equipments, net	0.01	(0.02)
Miscellaneous expenses	0.21	0.18
	1.41	**1.21**

14 Income tax expense

A Amounts recognised in profit or loss

	Year ended 31 March 2025	Year ended 31 March 2024
Current tax (a)		
Current tax on profits for the period from continuing operations	0.98	1.00
MAT for the period		
	0.98	**1.00**
Deferred tax (b)		
Attributable to origination and reversal of temporary differences	(0.01)	0.08
Attributable to IND AS 116 Impact adjustments	(0.03)	(0.09)
	(0.04)	**(0.01)**
Tax expense (a+b)	**0.94**	**0.99**

B Income tax recognised in other comprehensive income

	Year ended 31 March 2025			Year ended 31 March 2024		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Remeasurement of defined benefit lia	-		-	-		-
Effective portion of cash flow hedge			-			-
	-	-	-	-	-	-

C Reconciliation of effective tax rate

	Year ended 31 March 2025	Year ended 31 March 2024
Profit before share of profit of equity accounted investee and income tax	**3.85**	**3.26**
Income tax expense at tax rates applicable to individual entities	**0.97**	**0.82**
Effect of :		
Impact of change in tax rates		
Permanent disallowances		
Income not subject to tax/ taxable at different rates		**(0.00)**
Change in previously unrecognised tax losses / temporary differences	**(0.04)**	**(0.01)**
Items / current year losses for which no deferred tax asset was recognised		
Expenses not deductible for tax purposes	**(0.01)**	**0.21**
Ind AS116 Impact	**0.01**	**(0.02)**
Deffered tax on undistributed reserves		
Others-Difference in Depreciation between companies Act & IT	**0.01**	**(0.01)**
Income tax expense as per statement of profit and loss	**0.94**	**0.99**

D Recognised deferred tax assets and liabilities

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

Deferred tax liabilities (net)	31 March 2025	31 March 2024
Provision for employee benefits	-	-
Deferred tax assets	**-**	**-**
Plant, property and equipment	-	-
Deferred tax liabilities	**-**	**-**
Net Deferred tax liabilities	**-**	**-**

14 Income tax expense (continued)

Deferred tax assets (net)	31 March 2025	31 March 2024
Property, plant and equipment	0.08	0.07
Right of use asset and liability	0.20	0.17
Deferred tax assets	**0.28**	**0.24**
Property, plant and equipment	-	-
Deferred tax liabilities	**-**	**-**
Net Deferred tax assets	**0.28**	**0.24**

E Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits there from:

Particulars	31 March 2025		31 March 2024	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Deductible temporary differences				
Tax losses				
Tax credit				
	-	-	-	-

F Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

	31 March 2025	Expiry date	31 March 2024	Expiry date
Expiry within 5 years				
Expiry within 5-10 years				
Never expire				
	-		-	

14 Income tax expense (continued)

D. Recognised deferred tax assets and liabilities (continued)

b. Movement in deferred tax assets and liabilities

	Balance as at 01 April 2023	Recognised in Profit & Loss	Recognised in Other comprehensive income	Currency translation adjustment	Total Other Comprehensive Income	Balance as at 31 March 2024	Recognised in Profit & Loss	Recognised in Other comprehensive income	Currency translation adjustment	Total Other Comprehensive Income	Balance as at 31 March 2025
Deferred tax liabilities (net)											
Provision for employee benefits					-	-				-	-
Deferred tax assets	-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment					-	-				-	-
Right of use asset and liability					-	-				-	-
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-
Net Deferred tax liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Deferred tax assets (net)											
Property, plant and equipment	0.08	(0.01)			-	0.07	0.01			-	0.08
Right of use asset and liability	0.15	0.02			-	0.17	0.03			-	0.20
Deferred tax assets	0.23	0.01	-	-	-	0.24	0.04	-	-	-	0.28
Property, plant and equipment					-	-				-	-
Prepaid expense					-	-				-	-
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-
Net Deferred tax assets	**0.23**	**0.01**	**-**	**-**	**-**	**0.24**	**0.04**	**-**	**-**	**-**	**0.28**
Net amount recognised in statement of profit and loss / other comprehensive income		**(0.01)**	**-**		**-**		**(0.04)**	**-**		**-**	

SPC International India Private limited
Notes to the consolidated financial statements for the Year ended 31 March 2025
(All amounts are in Rupees in crores except share data and otherwise stated)

15A z

A Reconciliation of carrying amount

	Land	Building	Plant and equipment	Furniture and fixtures	Computer equipment	Leasehold improvements	Office equipment	Vehicles	Total
Gross carrying amount									
Balance at 01 April 2023	-	-	0.74	0.69	0.27	0.07	0.02	-	1.81
Additions on acquisitions									-
Other additions			0.03	0.10	0.14		0.00		0.27
Reclassifications to assets held for sale									-
Disposals			(0.00)	(0.03)	(0.07)				(0.10)
Exchange differences on translation of foreign operations									-
Balance at 31 March 2024	**-**	**-**	**0.77**	**0.77**	**0.35**	**0.07**	**0.02**	**-**	**1.98**
Balance at 01 April 2023			0.74	0.69	0.27	0.07	0.02		1.81
Additions on acquisitions									-
Other additions			0.03	0.10	0.14		0.00		0.27
Reclassifications to assets held for sale									-
Disposals			(0.00)	(0.03)	(0.07)				(0.10)
Exchange differences on translation of foreign operations									-
Balance at 31 March 2024	**-**	**-**	**0.77**	**0.77**	**0.35**	**0.07**	**0.02**	**-**	**1.98**
Balance at 01 April 2024	-	-	0.77	0.77	0.35	0.07	0.02	-	1.98
Additions on acquisitions									-
Other additions			0.01	0.01			0.06		0.08
Reclassifications to assets held for sale									-
Disposals			(0.05)	(0.00)			(0.00)		(0.06)
Exchange differences on translation of foreign operations									-
Balance at 31 March 2025	**-**	**-**	**0.73**	**0.77**	**0.35**	**0.07**	**0.09**	**-**	**2.01**
Accumulated depreciation and Impairment losses									
Balance at 01 April 2023	-	-	0.40	0.56	0.27	0.01	0.03	-	1.26
On account of acquisitions									-
Depreciation for the period			0.05	0.03	0.05	0.01	0.02		0.15
Disposals			(0.00)	(0.01)	(0.09)				(0.10)
Exchange differences on translation of foreign operations									-
Balance at 31 March 2024	**-**	**-**	**0.44**	**0.57**	**0.23**	**0.02**	**0.05**	**-**	**1.31**
Balance at 01 April 2023			0.40	0.56	0.27	0.01	0.03		1.26
On account of acquisitions									-
Depreciation for the year			0.05	0.03	0.05	0.01	0.02		0.15
Disposals			(0.00)	(0.01)	(0.09)				(0.10)
Exchange differences on translation of foreign operations									-
Balance at 31 March 2024	**-**	**-**	**0.44**	**0.57**	**0.23**	**0.02**	**0.05**	**-**	**1.31**
Balance at 01 April 2024	-	-	0.44	0.57	0.23	0.02	0.05	-	1.31
On account of acquisitions									-
Depreciation for the period			0.05	0.04	0.05	0.01	0.01		**0.15**
Disposals			(0.04)	(0.00)			(0.00)		(0.05)
Exchange differences on translation of foreign operations									-
Balance at 31 March 2025	**-**	**-**	**0.45**	**0.61**	**0.28**	**0.03**	**0.05**	**-**	**1.42**
Carrying amounts (net)									
As at 31 March 2024	**-**	**-**	**0.32**	**0.19**	**0.12**	**0.05**	**(0.03)**	**-**	**0.66**
As at 31 March 2025	**-**	**-**	**0.28**	**0.16**	**0.07**	**0.04**	**0.03**	**-**	**0.59**

B Impairment loss and subsequent reversal

NIL

C Plant and equipment and vehicles held under finance lease

The Company has acquired certain plant and equipment and vehicles under finance lease arrangements. The gross and net carrying amounts of such assets acquired under leases included in the above reconciliation are as follows:

	31 March 2025	31 March 2024
Cost/deemed cost		
Accumulated depreciation		
Net carrying amount	**-**	**-**

B Security

NIL

C Capital work-in-progress

NIL

D Reclassification to investment property

NIL

E Change in estimates

NIL

The effect of change in estimates is as follows :

	2021-22	2022-23	2023-24	2024-25	2025-26	Later years
(Decrease) / Increase in depreciaton expense						

F Title deeds of immovable properties not held in the name of the company NA

15B Capital work-in-progress & Intangible assets under development NIL

16A Intangible assets

a Reconciliation of carrying amount

	Goodwill	Patents & trade marks	Brand	Restraint on shareholders' clause	Customer relationship & others	Computer software	Others (Specify)	Total (Excluding Goodwill)
Gross carrying amount								
Balance as at 01 April 2023	-	0.96	-	-	-	0.18	-	**1.13**
Reclassifications to assets held for sale								-
Other additions								-
Disposals								-
Exchange differences on translation of foreign operations								-
Balance as at 31 March 2024	**-**	**0.96**	**-**	**-**	**-**	**0.18**	**-**	**1.13**
Balance as at 01 April 2023		0.96				0.18		**1.13**
Additions on acquisitions								-
Other additions								-
Disposals								-
Exchange differences on translation of foreign operations								-
Balance at 31 March 2024	**-**	**0.96**	**-**	**-**	**-**	**0.18**	**-**	**1.13**
Balance at 01 April 2024	**-**	**0.96**	**-**	**-**	**-**	**0.18**	**-**	**1.13**
Additions on acquisitions								-
Other additions								-
Disposals		(0.96)						**(0.96)**
Exchange differences on translation of foreign operations								-
Balance at 31 March 2025	**-**	**-**	**-**	**-**	**-**	**0.18**	**-**	**0.18**
Accumulated amortization and impairment loss								
Balance as at 01 April 2023	-	0.96	-	-	-	0.18	-	1.13
On account of acquisitions								-
Amortization for the period								-
Disposals during the period								-
Exchange differences on translation of foreign								-
Balance as at 31 March 2024	**-**	**0.96**	**-**	**-**	**-**	**0.18**	**-**	**1.13**
Balance as at 01 April 2023		0.96				0.18		1.13
On account of acquisitions								-
Amortization for the year								-
Disposals during the year								-
Exchange differences on translation of foreign operations								-
Balance at 31 March 2024	**-**	**0.96**	**-**	**-**	**-**	**0.18**	**-**	**1.13**
Balance at 01 April 2024	**-**	**0.96**	**-**	**-**	**-**	**0.18**	**-**	**1.13**
On account of acquisitions								-
Amortization for the period								-
Disposals during the period		(0.96)						(0.96)
Exchange differences on translation of foreign operations								-
Balance at 31 March 2025	**-**	**-**	**-**	**-**	**-**	**0.18**	**-**	**0.18**
Carrying amounts (net)								
At 31 March 2024	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
At 31 March 2025	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

b Impairment loss and subsequent reversal NIL

16B Right of use assets

a ***[Description of leases]***

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

	Land	Building	Plant and equipment	Furniture and fixtures	Computer equipment	Office equipment	Vehicles	Total
Net carrying amount								
Balance as at 01 April 2023		**1.29**						**1.29**
Additions		0.04						0.04
Reversals *(less)*		-						-
Depreciation *(less)*		(0.91)						(0.91)
Exchange differences on translation of foreign operations								-
Balance as at 31 March 2024	**-**	**0.42**	**-**	**-**	**-**	**-**	**-**	**0.42**
Additions		3.62						3.62
Reversals *(less)*								-
Depreciation *(less)*		(1.17)						(1.17)
Exchange differences on translation of foreign operations								-
Balance as at 31 March 2025	-	2.86	-	-	-	-	-	2.86

c ***Set out below are the carrying amounts of lease liabilities and the movement during the period***	**31 March 2025**	**31 March 2024**
Balance at the beginning of the period	0.49	1.46
Additions	3.62	0.04
Accretion of interest	0.21	0.10
Payments	(1.34)	(1.11)
Reversals		
Exchange differences on translation of foreign operations		
Balance at the end of the period	2.98	0.49
Current	1.47	0.43
Non - Current	1.51	0.06
Cash outflows for leases	1.34	1.11

d ***The following are recongnised in the statement of profit and loss***	**31 March 2025**	**31 March 2024**
Depreciation expenses of right of use assets	1.17	0.91
Interest expenses on lease liabilities	0.21	0.10
Gain on termination of lease	-	-
Expenses relating to short term leases and leases of low value assets	-	-
Total amount recognised in profit or loss	1.38	1.02

e Sale & lease back	**31 March 2025**	**31 March 2024**
[Reason for sale and lease back]		
Net sale proceeds from sale and lease back	-	-

17 Equity accounted investees Not Applicable

18 A. Non-controlling interests Not Applicable

19 Investments

A	**Non-current investments**	**31 March 2025**	**31 March 2024**
	Quoted debt securities	**-**	**-**
	Unquoted debt securities	**-**	**-**
	Unquoted investment in debentures carried at amortised cost	**-**	**-**
	Quoted equity shares	**-**	**-**
	Unquoted investment in preference shares carried at amortised cost	**-**	**-**
	Unquoted equity shares	**-**	**-**
		-	**-**

B	**Current investments**	**31 March 2025**	**31 March 2024**
	Quoted debt securities	**-**	**-**
	Quoted investment in mutual funds	**-**	**-**
	Unquoted investment in debentures carried at amortised cost	**-**	**-**
	Unquoted debt securities	**-**	**-**

C	**Equity shares designated as at fair value through other comprehensive income**	-	-

20	**Inventories**	**31 March 2025**	**31 March 2024**
	Packing materials	4.25	3.37
	Stock in trade	-	-
	Finished goods	0.04	0.61
	Stores and spares	-	-
		4.29	**3.98**
	Of the above, goods in transit	**0.15**	**-**

21	**Trade receivables**	**31 March 2025**	**31 March 2024**
	Gross trade receivables		
	Secured, considered good	-	-
	Unsecured, considered good from related parties	-	-
	Unsecured, considered good from intercompanies	-	0.23
	Unsecured, considered good from others	4.96	5.76
	Trade Receivables which have significant increase in credit Risk	-	-
	Trade Receivables - credit impaired	-	-
		4.96	5.98
	Loss allowance		
	Unsecured, considered good	-	-
	Trade Receivables which have significant increase in credit Risk	-	-
	Trade Receivables - credit impaired	-	-
		-	-
	Net trade receivables	**4.96**	**5.98**
	Non-current	-	-
	Current	4.96	5.98

Of the above, trade receivables from related parties are as below :	**31 March 2025**	**31 March 2024**
Trade receivables	-	0.23
Loss allowance		
Net trade receivables	**-**	**0.23**

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

31 March 2025	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Secured, considered good							
Undisputed, external							-
Disputed, external							-
Intercompany							-
	-	-	-	-	-	-	-
Unsecured, considered good							
Undisputed, external	4.03	0.93					**4.96**
Disputed, external							-
Intercompany							-
	4.03	0.93	-	-	-	-	**4.96**
Trade Receivables which have significant increase in credit Risk							
Undisputed, external							-
Disputed, external							-
Intercompany							-
	-	-	-	-	-	-	-
Trade Receivables - credit impaired							
Undisputed, external							-
Disputed, external							-
Intercompany							-
	-	-	-	-	-	-	-
Total	**4.03**	**0.93**	**-**	**-**	**-**	**-**	**4.96**

31 March 2024	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Secured, considered good							
Undisputed, external							-
Disputed, external							-
Intercompany							-
	-	-	-	-	-	-	-
Unsecured, considered good							
Undisputed, external	2.78	2.97					**5.76**
Disputed, external							-
Intercompany	0.14	0.09					**0.23**
	2.92	3.06	-	-	-	-	**5.98**
Trade Receivables which have significant increase in credit Risk							
Undisputed, external							-
Disputed, external							-
Intercompany							-
	-	-	-	-	-	-	-
Trade Receivables - credit impaired							
Undisputed, external							-
Disputed, external							-
Intercompany							-
	-	-	-	-	-	-	-
Total	**2.92**	**3.06**	**-**	**-**	**-**	**-**	**5.98**

21 A Transferred financial assets that are derecognised in their entirety and with continuing involvement- Not applicable

21 B Transferred financial assets that are not derecognised in their entirety- Not applicable

22 Loans

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Loan to related parties	-	-	-	-
	-	-	-	-
Loss allowance	-	-	-	-
	-	-	-	-
	-	-	-	-
Loan to others (specify nature)	-	-	-	-
	-	-	-	-
Loss allowance	-	-	-	-
	-	-	-	-

23 Deposits and other receivables

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Security deposits				
Unsecured considered good	0.30	0.33	0.68	0.40
	0.30	**0.33**	**0.68**	**0.40**
Security deposits to related parties	-	-	-	-
	-	-	-	-
Other receivables				
Loans and advances to employees	-	-	0.01	0.08
Finance lease receivables	-	-	-	-
Receivable from subsidiaries	-	-	-	-
Receivable from others				
Unsecured, considered good	-	-	-	-
Unsecured, credit impaired	-	-	-	-
Provision for credit impaired receivables	-	-	-	-
Other receivables - Input tax receivable	-	-	-	-
	0.30	**0.33**	**0.68**	**0.48**

24 Other financial assets

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Advances recoverable in cash or kind	-	-	-	-
	-	-	-	-
Interest accrued on Fixed deposits	-	-	0.00	0.00
	-	-	**0.00**	**0.00**

25 Tax assets net

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Tax assets				
Advance tax	-	-	1.02	0.71
Tax liability				
Provision for tax	-	-	-	-
	-	-	**1.02**	**0.71**

26 Other non current assets

	31 March 2025	31 March 2024
Prepaid expenses	-	-
Balance with statutory and government authorities	-	-
	-	-
Advance for supply of goods and services	-	-
	-	-
Capital advances	-	-
	-	-
Unbilled Revenue	-	-
Others	-	-
	-	-

27 Cash and cash equivalents

	31 March 2025	31 March 2024
Cash and cheques on hand		
Cash on hand	0.02	0.01
Cheques on hand	-	-
	0.02	**0.01**
Balance with banks		
On current accounts	0.74	0.59
Deposits with original maturity of less than three months	5.30	2.00
	6.04	**2.59**
	6.06	**2.60**

28 Other bank balances

	31 March 2025	31 March 2024
Deposits with original maturity of more than 3 months	3.44	2.54
Margin money deposited with banks	-	-
	3.44	**2.54**
Current	3.44	2.54
Non-Current	-	-

29 Other current assets

	31 March 2025	31 March 2024
Advance related to supply of goods and services to parties other than related parties		
Unsecured, considered good	0.19	0.46
Unbilled revenue	0.53	1.38
Other current assets		
Prepayment	0.17	0.07
	0.88	**1.91**

30A Share capital

	31 March 2025	31 March 2024
Authorised share capital	1.00	1.00
Issued, subscribed and paid up	0.51	0.51
	0.51	**0.51**

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

	31 March 2025		31 March 2024	
	Nos	**in LC**	**Nos**	**in LC**
Equity shares				
At the beginning of the period	51,000.00	0.51	51,000.00	0.51
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the period	51,000.00	0.51	51,000.00	0.51
Outstanding at the end of the period	**51,000**	**0.51**	**51,000**	**0.51**

Issued and subscribed share capital

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.100/- per share. Each holder of equity shares is entitled to one vote per share

c. Terms/rights attached to preference shares NA

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

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

	31 March 2025		31 March 2024	
	Number of shares	**Amount**	**Number of shares**	**Amount**
Holding company	51,000.00	0.51	51,000.00	0.51
Ultimate holding company	-	-	-	-

e. Details of shareholders holding more than 5% shares in the company

	31 March 2025		31 March 2024	
	Number of shares	**% holding**	**Number of shares**	**% holding**
Equity shares				
TVS Supply Chain Solutions Limited	50,994.00	99.998%	50,994.00	99.998%
Preference shares	-	-	-	-

A. Dividends

	31 March 2025	31 March 2024
No dividends were declared or paid during the year ended 31 March 2025	-	-

30C a. Other items of OCI

	31 March 2025	31 March 2024
Cost of hedging	-	-
Remeasurements of defined benefit liability/(asset) (net of taxes)	-	-
	-	-

C. Capital management

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

31. Earnings per share

Basic earnings per share

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

(i) Profit (loss) attributable to equity shareholders	**31 March 2025**	**31 March 2024**
Profit (loss) for the year, attributable to the equity holders	2.91	2.27

(ii) Weighted average number of equity shares	**31 March 2025**	**31 March 2024**
Opening balance	51,000	51,000
Effect of share options exercised	-	-
Effect of shares issued in business combination	-	-
Effect of fresh issue of shares for cash	-	-
Weighted average number of equity shares for the year	**51,000**	**51,000**
EPS	569.97	445.55

B. Diluted earnings per share

The calculation of diluted earnings per share is based on profit attributable to equity shareholders and weighted average number of equity shares outstanding, after

(i) Profit (loss) attributable to equity shareholders

	31 March 2025	**31 March 2024**
Profit (loss) for the year, attributable to the equity holders	2.91	2.27

(ii) Weighted average number of equity shares (diluted)

	31 March 2025	**31 March 2024**
Weighted average number of equity shares (basic)	51,000	51,000
Effect of conversion of convertible debentures	-	-
Effect of exercise of share options	-	-
Weighted average number of equity shares (diluted) for the year	**51,000**	**51,000**
DPS	569.97	445.55

32 Borrowings

	31 March 2025	**31 March 2024**
(a) Non-current borrowings	-	-
Total non current borrowings	**-**	**-**
(b) Current borrowings	-	-
Total current borrowings	**-**	**-**

C. Breach of loan covenant NA

D. Convertible Debentures

	31 March 2025	**31 March 2024**
Proceeds from issue of convertible debentures	-	-
Transaction cost	-	-
Net proceeds	**-**	**-**
Amount classified as equity	-	-
Accured interest	-	-
'Carrying amount of liability as at 31 March 2025	**-**	**-**

E. Redeemable preference shares	**31 March 2025**	**31 March 2024**
Proceeds from issue of redeemable preference shares		
Transaction cost		
'Carrying amount of liability as at 31 March 2025	**-**	**-**

F. Finance lease obligations

Not applicable

33 Deferred Income

	Non-current		**Current**	
	31 March 2025	**31 March 2024**	**31 March 2025**	**31 March 2024**
Billing in advance of work completed	-	-	-	-
	-	**-**	**-**	**-**

34 Provisions

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Provisions for employee benefits	-	-	-	-
Other provisions				
Provision for warranties	-	-	0.10	0.10
Provision for litigations	-	-	-	0.53
	-	**-**	**0.10**	**0.63**

Movement in other provisions	**Dilapidation**	**Warranties**	**Onerous contracts**	**Litigations**	**Others (specify)**	**Total**
Balance as at 01 April 2024	**-**	**0.10**	**-**	**0.53**	**-**	0.63
Assumed in a business combination						-
Provisions made during the period						-
Provisions utilised during the period				(0.53)		(0.53)
Unwinding of discount						-
Exchange differences on translation of foreign operations						
Balance as at 31 March 2025	-	**0.10**	**-**	**-**	**-**	**0.10**

35 Trade payables

	31 March 2025	31 March 2024
Trade and other payables to related parties	-	-
Trade and other payables to intercompany	0.00	0.14
Other trade payables - services	1.11	0.60
Accruals	0.07	-
Other trade payables - goods	0.47	0.91
Dues to micro & small enterprises	0.33	0.46
Duties and taxes payable	-	-
Labour welfare fund payable	-	-
	1.99	**2.12**

All trade payables are 'current'.

Ageing of trade payables from the due date of payment:

31 March 2025	**Not due**	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Undisputed dues - MSME	0.33					0.33
Undisputed dues - Others	1.66					1.66
Disputed dues - MSME						-
Disputed dues - Others						-
Intercompany	0.00					0.00
	1.99	**-**	**-**	**-**	**-**	**1.99**

31 March 2024	**Not due**	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Undisputed dues - MSME	0.46	-	-			0.46
Undisputed dues - Others	0.75	0.75	0.01			1.51
Disputed dues - MSME	-	-	-			-
Disputed dues - Others	-	-	-			-
Intercompany	0.08	0.06				0.14
	1.30	**0.80**	**0.01**	**-**	**-**	**2.12**

36 Other financial liabilities

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Amount due to employees	-	-	0.54	-
	-	**-**	**0.54**	**-**

37 Other non current liabilities

	31 March 2025	31 March 2024
Unbilled rental payables	-	-
	-	**-**

38 Other current liabilities

	31 March 2025	31 March 2024
Statutory dues	0.58	0.33
	0.58	**0.33**

38A Employee benefits Not Applicable

30 D. Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	31 March 2024	Cash flows	Unamortised transaction cost	Currency Translation Adjustment	Changes in fair values	31 March 2025
Current borrowings	-					-
Non- current borrowings	-					-
Total liabilities from financing activities	**-**	**-**	**-**	**-**	**-**	**-**

Particulars	01 April 2023	Cash flows	Unamortised transaction cost	Currency Translation Adjustment	Changes in fair values	31 March 2024
Current borrowings						-
Non- current borrowings						-
Total liabilities from financing activities	**-**	**-**	**-**	**-**	**-**	**-**

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					
		31 March 2025			31 March 2024		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets measured at fair value							
Quoted debt securities	19	-	-	-	-	-	-
Other financial assets	24	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**
Financial assets carried at amortised cost							
Investments	19	-	-	-	-	-	-
Loans	22	-	-	-			-
Deposits and other receivables	23	-	-	0.98	-	-	0.81
Trade receivables	21	-	-	4.96	-	-	5.98
Cash and cash equivalents	27	-	-	6.06	-	-	2.60
Other bank balances	28	-	-	3.44	-	-	2.54
Other financial assets	24	-	-	0.00	-	-	0.00
Total		**-**	**-**	**15.44**	**-**	**-**	**11.94**
Financial liabilities measured at fair value							
Derivatives - Forward contract payables	32	-	-	-	-	-	-
Written put option/ forward obligation liability	32	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value							
Borrowings	32	-	-	-	-	-	-
Lease liability	16B	-	-	2.98	-	-	0.49
Trade payables	35	-	-	1.99	-	-	2.12
Other financial liabilities	32	-	-	0.54	-	-	-
Total		**-**	**-**	**2.52**	**-**	**-**	**2.12**

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

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as described in note 3.

The following table presents fair value hierarchy of assets and liabilities measured at fair value:

(a) Financial assets and liabilities valued at fair value

Particulars	31 March 2025			31 March 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets:						
Investments - Quoted debt securities						
Other financial assets						
Liabilities:						
Derivatives - Forward contract payables						
Written put option/ forward obligation liability						

The Group has not disclosed fair values of other financial instruments such as investments, deposits and other receivables, trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables, other financial liabilities because their carrying amounts are reasonable approximations of their fair values.

C. Measurement of fair values

i. Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement

43 Financial instruments - Fair values and risk management (Continued)

Sensitivity analysis

For the fair values of written put option/ forward obligation liability, reasonable possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

Written put option/ forward obligation liability	**31 March 2025**		**31 March 2024**	
	Profit or (loss)		**Profit or (loss)**	
	Increase	**Decrease**	**Increase**	**Decrease**
EBITDA (1% movement)				
Risk adjusted interest rate (1% movement)				

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

D. Financial risk management

The Group has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

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

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

ii. Credit risk

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

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

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

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

	Carrying amount	
	31 March 2025	**31 March 2024**
Trade receivables	4.96	5.98
Investments	-	-
Cash and cash equivalents	6.06	2.60
Other bank balances	3.44	2.54
Loans	-	-
Deposits and other receivables	0.98	0.81
Other financial assets	0.00	0.00
Total	**15.44**	**11.94**

Trade and other receivables

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

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

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

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

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

Financial instruments - Fair values and risk management (continued)

D. Financial risk management (continued)
ii. Credit risk (contd.)

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

As at 31 March 2025

	Gross carrying amount	Weighted-average loss rate	Loss allowance
Not due	4.03	0.0%	
Past due 1-90 days	0.93	0.0%	
Past due 91-180 days	-	0.0%	
Past due 181-365 days	-	0.0%	
Past due for more than 365 days	-	0.0%	
Total	**4.96**		**-**

As at 31 March 2024

	Gross carrying amount	Weighted-average loss rate	Loss allowance
Not due	2.92	0.0%	
Past due 1-90 days	2.66	0.0%	
Past due 91-180 days	0.40	0.0%	
Past due 181-365 days	-	0.0%	
Past due for more than 365 days	-	0.0%	
Total	**5.98**		**-**

Movements in the allowance for impairment in respect of trade receivables NIL

Cash and cash equivalents and other bank balances
The Group holds cash and bank balances of Rs. 6.06 crores as at 31 March 2025 (31 March 2024: Rs. 2.60 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 ofRs. 9.38 Crores as at 31 March 2025 (31 March 2024: INR 9.34 Crores). The credit worthiness of such parties are evaluated by the management on an ongoing basis and is considered to be good

D. Financial risk management (continued)
iii. Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.
The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

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

		Contractual cash flows			
	Carrying amount	Total	1 year or less	1-5 years	More than 5 years
31 March 2025					
Non derivative financial liabilities					
Others					
Trade payables	1.99	1.99	1.99		
Lease liability	2.98	2.98	1.47	1.51	
Other financial liabilities	0.54	0.54	0.54		
	5.50	**5.50**	**3.99**	**1.51**	**-**

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

iv. Market risk

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

Currency risk

Foreign exchange risk arises from a change in foreign currency exchange rate, which is expected to have an adverse effect on the Group in the current reporting period and in future years. The Group operates in several countries and subsidiary, associated and joint venture companies within the Group maintain their books and records in their respective functional currencies. The Group's accounting policy is to translate the results of overseas subsidiary companies using the weighted average exchange rates. Net assets denominated in foreign currencies and held at the financial year end are translated into the Group's reporting currency, at year end exchange rates. Fluctuations in the exchange rate between the functional currencies and reporting currency will therefore have an impact on the Group. It is the Group's policy not to hedge exposures arising from such translations. The Group's strategy is to fund overseas operations with borrowings denominated in their functional currencies as a natural hedge against overseas assets.

The Group is also exposed to the volatility in the foreign currency cash flows related to repatriation of the investments in and advances to its subsidiary companies. The Group does not hedge exposures arising from such risks.

Exposure to currency risk

The following table analyzes foreign currency risk from financial instruments as of 31 March 2025

Financial assets and liabilities	USD	Euro	GBP	SGD	AUD	THB	Others (Eg. TWD, VND, IDR, etc)	Remaining balances in Functional Currency
Trade receivables	0.03							
Trade payables	0.01	0.08						
Net exposure in respect of recognised assets and liabilities	0.02	(0.08)	-	-	-	-	-	-

The following table analyzes foreign currency risk from financial instruments as of 31 March 2024

Financial assets and liabilities	USD	Euro	GBP	SGD	AUD	THB	Others (Eg. TWD, VND, IDR, etc)	Remaining balances in Functional Currency
Trade receivables					0.23			
Trade payables	0.64		0.20					
Net exposure in respect of recognised assets and liabilities	(0.64)	-	(0.20)	-	0.23	-	-	-

Sensitivity analysis:

A reasonably possible strengthening (weakening) of the functional currency against the respective currencies noted above as at the reporting period would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or (loss)		Equity, net of tax	
	Weakening	Strengthening	Weakening	Strengthening
31 March 2025				
United States Dollar (1% movement)	0.00	(0.00)	-	-
Euro (1% movement)	(0.00)	0.00	-	-
Great Britain Pounds (1% movement)	-	-	-	-
Australian Dollar (1% movement)	-	-	-	-
Singapore Dollar (1% movement)	-	-		
Thailand Bhat (1% movement)	-	-	-	-
Others (1% movement)*	-	-	-	-
31 March 2024				
United States Dollar (1% movement)	(0.01)	0.01	-	-
Euro (1% movement)	-	-	-	-
Great Britain Pounds (1% movement)	(0.00)	0.00	-	-
Australian Dollar (1% movement)	-	-	-	-
Singapore Dollar (1% movement)	0.00	(0.00)	-	-
Thailand Bhat (1% movement)	-	-	-	-
Others (1% movement)*	-	-	-	-

*Others mainly include currencies such as Malaysian ringgit, Hong Kong dollar, Indonesian rupiah, South Korean won, New Taiwan dollar, Canadian dollar, and New Zealand dollar.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments is as follows:

	31 March 2025	31 March 2024
Variable rate instruments		
Financial liabilities		
- Term loans from banks	-	-

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

Fixed rate instruments

Financial assets		
- Deposits with banks	-	-
Financial liabilities		
- Term loans from banks	-	-

#REF!

iv. Market risk (continued)

Interest rate risk (continued)

Fair value sensitivity analysis for fixed rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (deposits with banks) are carried at amortised cost, any changes in interest rates are not considered for subsequent measurement.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	(Profit) or loss		Equity	
	100 bp decrease	**100 bp increase**	**100 bp decrease**	**100 bp increase**
31 March 2025				
Financial liabilities				
- Term loans from banks	-	-	-	-
Cash flow sensitivity (net)	**-**	**-**	**-**	**-**
31 March 2024				
Financial liabilities				
- Term loans from banks	-	-	-	-
Cash flow sensitivity (net)	**-**	**-**	**-**	**-**

40 Leases

A. Finance leases as lessor Not Applicable

41	**A. Contingent liabilities**	**31 March 2025**	**31 March 2024**
	a. Claims against the Group not acknowledged as debts	-	-
		-	-
	b. Contingent liabilities relating to interest in Joint Venture		
	c. Guarantees outstanding	0.09	0.12

B. Commitments	**31 March 2025**	**31 March 2024**
a. Estimated amount of contracts remaining to be executed on capital account and not provided for		
b. Commitments relating to interest in Joint Venture		

42 Related Party disclosures

i. Names of the related parties and nature of relationship where control exists

A. Holding Company/ Enterprise having substantial interest

B. Subsidiaries of A
SPC International Limited
SPC Intenational Inc
SPC International S.R.O
Rico Logistics Limited, Australia
TVS-SCS Global Freight Solutions Limited

C. Joint Ventures
NIL

D. Associates
NIL

E. Key management personnel
Fernando Pugnaire
Subramanian Sankaranaryanan

ii. Transactions during the period:	Year ended 31 March 2025	Year ended 31 March 2024
Income from logistics services		
SPC International S.R.O	0.01	0.00
Rico Logistics Limited, Australia	0.28	0.15
Purchase of stock in trade		
SPC International Limited	0.41	0.55
Freight charges		
Rico Logistics Limited, Australia	0.10	-
Other expenses / Please specify any other major nature of expenses if any		
TVS Supply Chain Solutions Limited-Lease Rent	0.03	0.04
TVS-SCS Global Freight Solutions Limited- Freight & Forwarding	0.05	-
Remuneration to Key Managerial Personnel		
Short-term employee benefits	31.11	28.01

iii. Period end balances :	31 March 2025	31 March 2024
Payables		
SPC International Limited	0.00	0.14
TVS Supply Chain Solutions Limited-Lease Rent	-	0.00
Receivables		
Rico Logistics Limited, Australia	-	0.23

43 List of subsidiaries

	Country of incorporation	Principal Activities	Equity Interest	
			31 March 2025	31 March 2024
Name of the subsidiary				
NIL				
Step-down subsidiaries				
NIL				

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

A Disaggregation of revenue

	Segment A		Segment B		Segment C		Segment D		Others	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Primary geographical markets										
A - India	23.84	22.27								
B - Europe			0.01	0.00						
C -Australia/Asia					0.28	0.15				
Others										
Total	23.84	22.27	0.01	0.00	0.28	0.15	-	-	-	-
Major products/service lines										
A - Others- Refurbishment	23.26	21.75								
B - Sale of Spares	0.87	0.68								
Others										
Total	24.13	22.42	-	-	-	-	-	-	-	-
Timing of revenue recognition										
Products transferred at a point in time	24.13	22.42								
Products and services transferred over time										
Total	24.13	22.42	-	-	-	-	-	-	-	-

B Summary of contract balances

	31 March 2025	31 March 2024
Trade receivables	4.96	5.98
Contract Assets	0.53	1.38
Contract Liabilities	-	-

C Significant changes in the contract assets and the contract liabilities balances **NIL**

D Transaction price allocated to the remaining performance obligations NA

E Right of return assets and refund liabilities NIL

F Reconciliation of revenue from sale of products/services with the contracted price

Particulars	**31 March 2025**	**31 March 2024**
Revenue as per contracted price	24.13	22.42
Adjustments		
Others		
Revenue as per statement of profit and loss	24.13	22.42

45 Utilisation of borrowings Not Applicable

46 Corporate social responsibility Not Applicable

47 Undisclosed income
No undisclosed income

48 Details of benami property held
Nil

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

	31 March 2025	**31 March 2024**
The amounts remaining unpaid to micro and small suppliers as at end of the accounting period		
Principal	0.33	0.46
Interest due thereon	-	-
The amount of interest paid by the buyer as per the Micro and Small Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amount of payments made to the micro and small suppliers beyond the appointed day during each accounting period	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

50 Exceptional Items

31 March 2025	**31 March 2024**
-	-

51 Struck off companies- No transactions with struck off companies

52 Details of Crypto Currency or Virtual Currency

Profit or loss on transactions involving Crypto currency or Virtual Currency	No transaction during the year
Amount of currency held as at the reporting date	No transaction during the year
Deposits or advances from any person for the purpose of trading or investing in	No transaction during the year

53 Wilful Defaulter:

No bank or financial institution has declared the company as "Wilful defaulter".

54 Registration of charges or satisfaction with Registrar of Companies:

Not applicable

55 Compliance with number of layers of companies:

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 and no layers of companies has been established beyond the limit prescribed as per above said section / rules.

56 Loan or advances granted to the promoters, directors and KMPs and the related parties:

No loan or advances in the nature of loans are granted to the promoters, directors, key managerial persons and the
(a) repayable on demand or
(b) without specifying any terms or period of repayment

57 The company hasn't taken any working capital loans from banks

58 Ratio Analysis

Ratios	Numerator	Denominator	31 March 2025	31-Mar-24	Variance
Current ratio	Current assets	Current liabilities	3.77	4.03	-6.47%
Debt equity ratio	Total debt	Shareholder's equity	0.00	0.00	NA
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & lease payments + Principal repayments	-4.58	-4.29	6.65%
Return on equity	Profit / (loss) attributable to Owners of the Company	Shareholder's equity	0.16	0.15	7.48%
Inventory Turnover ratio	Cost of goods sold	Average Inventory	5.82	11.24	-48.23%
Trade receivable turnover ratio	Net credit sales = Gross credit sales - sales return	Average trade receivable	4.41	7.50	-41.19%
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	6.50	11.84	-45.09%
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	1.54	1.64	-6.05%
Net profit percentage	Net profit	Net sales = Total sales - sales return	0.12	0.10	18.89%
Return on capital employed	Earnings before interest and taxes	Capital employed = Tangible net worth + total debt + deferred tax liability	0.21	0.21	-0.87%

Note: Reason for variance more than 25%- Increase in turnover, payables and inventory in the current year.

59 **Subsequent events** NIL

For B.P. Jayarama Iyer & Co
Chartered Accountants
FRN 001304S

For and behalf of the Board

N.Sekar
Partner
M.N. 019439
Place: Bengaluru
Date:30-04-2025

Fernando Pugnaire Luengo
Director
DIN:10042797

S.Subramanian
Director
DIN:07826275

52 Ratios Analysis

Ratios	Numerator	Denominator	31 March 2025	31-Mar-24	Variance
Current ratio	Current assets	Current liabilities	3.77	4.03	-6.47%
Debt equity ratio	Total debt	Shareholder's equity	0.00	0.00	NA
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating	Debt service = Interest & lease payments + Principal repayments	-4.58	-4.29	6.65%
Return on equity	Profit / (loss) attributable to Owners of the Company	Shareholder's equity	0.16	0.15	7.48%
Inventory Turnover ratio	Cost of goods sold	Average Inventory	5.82	11.24	-48.23%
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Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	1.54	1.64	-6.05%
Net profit percentage	Net profit	Net sales = Total sales - sales return	0.12	0.10	18.89%
Return on capital employed	Earnings before interest and taxes	Capital employed = Tangible net worth + total debt + deferred tax liability	0.21	0.21	-0.87%

Note: Reason for variance- Increase in turnover, payables and inventory in the current year.

TVS Toyota Tsusho Supply Chain Solutions Limited

FY 2024-25

INDEPENDENT AUDITOR'S REPORT

To the Members of TVS Toyota Tsusho Supply Chain Solutions Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TVS Toyota Tsusho Supply Chain Solutions Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us , the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

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

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

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

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

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

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

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

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

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

   (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025;

   (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 does not have any pending litigations which would impact its financial position.

      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, as disclosed in the note 39 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 39 to the financial statements , no funds have been received by the Company from any person or entity(, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

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

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

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

per Sriguruprasad N
Partner
Membership Number: 225419
UDIN: 25225419BNQJVM6834
Place of Signature: Chennai
Date: May 22,2025

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

Re: TVS Toyota Tsusho Supply Chain Solutions Limited ("the Company")

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

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

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

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

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) during the year ended March 31, 2025. The Company has not capitalized any intangible assets in the books of the Company.

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

(ii) (a) Physical verification of inventory has been conducted at reasonable intervals during the year by management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed in such physical verification.

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

(iii) (a) During the year, the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies as follows:

Particulars	Loans
Aggregate amount granted during the year to the Holding Company	Rs1900.00 Lacs
Balance outstanding as at balance sheet date in respect of above	Nil

During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to Firms, Limited Liability Partnerships or any other parties.

(b) During the year, the terms and conditions of the grant of loans are not prejudicial to the Company's interest.

(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) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) As disclosed in note 34 to the financial statements, during the year, the Company has granted loans repayable on demand as stated below. Of these following are the details of the aggregate amount of loans granted to related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

(iv) Loans in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company. The Company has not made investments and has not given guarantees or security to which the provisions of sections 185 and 186 apply and hence not commented upon.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(xvii) 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 36 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, the Company has transferred unspent amount to a fund specified in Schedule VII of the Companies Act, 2013 (the Act) within a period of six months of the expiry of the financial year, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 37 to the financial statements.

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

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

per Sriguruprasad N
Partner
Membership Number: 225419
UDIN: 25225419BNQJVM6834
Place of Signature: Chennai
Date: May 22, 2025

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF TVS Toyota Tsusho 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 financial statements of TVS Toyota Tsusho Supply Chain Solutions Limited ("the Company") as of March 31,2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on {the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, 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 Sriguruprasad N
Partner
Membership Number: 225419
UDIN: 25225419BNQJVM6834
Place of Signature: Chennai
Date: May 22,2025

TVS TOYOTA TSUSHO SUPPLY CHAIN SOLUTIONS LIMITED
CIN: U74999TN2014PLC098233
BALANCE SHEET AS AT 31ST MARCH 2025
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	67.88	77.53
Capital work-in-progress	4	-	6.70
Right of use assets	5	1,127.72	1,676.41
Financial assets			
Deposits and other receivables	6	160.52	359.42
Deferred tax assets (net)	31D	208.12	200.09
Total non - current assets		**1,564.24**	**2,320.15**
Current Assets			
Inventories	8	31.10	46.67
Financial assets			
Trade receivables	9	1,154.30	1,158.13
Cash and cash equivalents	10	598.83	558.97
Other bank balances	11A	2,839.80	1,811.54
Deposits and other receivables	6	224.34	3.41
Other financial assets	11B	9.21	9.30
Other current assets	12	278.92	226.21
Total current assets		**5,136.50**	**3,814.23**
Total Assets		**6,700.74**	**6,134.38**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	200.00	200.00
Other equity	14	3,776.62	2,989.83
Total Equity		**3,976.62**	**3,189.83**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	15	1,287.11	1,645.72
Provisions	16	10.70	8.08
Total Non-current liabilities		**1,297.81**	**1,653.80**
Current liabilities			
Financial liabilities			
Trade payables			
Total outstanding dues to Micro & Small Enterprises	17	44.63	-
Total outstanding dues of creditors other than Micro & Small Enterprises		872.70	537.80
Lease liabilities	15	358.61	569.76
Other financial liabilities	18	47.51	69.69
Income tax liabilities (net)	19	42.48	46.81
Other current liabilities	20	48.55	57.94
Provisions	16	11.83	8.75
Total current liabilities		**1,426.31**	**1,290.75**
Total liabilities		**2,724.12**	**2,944.55**
Total Equity and liabilities		**6,700.74**	**6,134.38**
Material accounting policies	3		

The notes from 1 to 42 form an integral part of the financial statements.

As per our report of even date attached

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

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

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : 22 May 2025

S Ravichandran
Director
DIN: 01485845

Place : Chennai
Date : 22 May 2025

Kohei Maruoka
Managing Director
DIN: 10341982

Place : Chennai
Date : 22 May 2025

TVS TOYOTA TSUSHO SUPPLY CHAIN SOLUTIONS LIMITED
CIN: U74999TN2014PLC098233
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2025
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

	Notes	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from operations	21	5,701.25	5,137.69
Other income	22	272.47	308.92
Total income		**5,973.72**	**5,446.61**
Expenses			
Cost of material consumed	23	380.05	365.88
Changes in inventories	24	15.40	(2.98)
Employee benefits expense	25	631.28	601.85
Impairment losses on financial instruments		(5.34)	(27.75)
Exchange difference gain(net)		(21.78)	(14.03)
Finance costs	26	169.78	221.19
Depreciation and amortization expense	27	566.21	639.23
Other expenses	28	3,181.74	2,795.17
Total expenses		**4,917.34**	**4,578.56**
Profit before tax		**1,056.38**	**868.05**
Income tax expense			
Current tax	31	271.89	207.96
Deferred tax charge/ (benefit)	31	(6.11)	11.25
Income tax expenses		**265.78**	**219.21**
Profit for the year		**790.60**	**648.83**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		(5.07)	(2.56)
Income tax relating to these items		1.28	0.64
Net other comprehensive income not to be reclassified to profit or loss		**(3.79)**	**(1.92)**
Other comprehensive income for the year, net of tax		**(3.79)**	**(1.92)**
Total comprehensive income for the year		**786.81**	**646.92**
Earnings per share			
Basic earnings per share (in INR)	29	39.53	32.44
Diluted earnings per share (in INR)	29	39.53	32.44
Material accounting policies	3		

The notes from 1 to 42 form an integral part of the financial statements.

As per our report of even date attached

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

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

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : 22 May 2025

S Ravichandran
Director
DIN: 01485845

Place : Chennai
Date : 22 May 2025

Kohei Maruoka
Managing Director
DIN: 10341982

Place : Chennai
Date : 22 May 2025

TVS TOYOTA TSUSHO SUPPLY CHAIN SOLUTIONS LIMITED
CIN: U74999TN2014PLC098233
Statement of cash flows for the year ended 31 March 2025
(All amounts are in Indian rupees in lakhs, except share data and otherwise stated)

Description	Note	31 March 2025	31 March 2024
Cash flow from operating activities			
Profit before tax		**1,056.38**	**868.05**
Adjustments for:			
Provision for bad and doubtful debts written back		(5.34)	(171.62)
Provisions no longer required written back		(76.00)	-
Depreciation and amortization expense		566.21	639.23
Interest income from banks		(99.75)	(133.52)
Interest income on a loan to holding company		(68.79)	-
Finance costs		168.75	221.21
Interest income on Security deposits carried at amortised cost		(27.93)	(30.32)
		1,513.53	**1,393.03**
Working capital adjustments:			
(Increase) / decrease in trade receivables		9.17	85.58
(Increase) / decrease in inventory		15.57	(2.98)
(Increase) / decrease in current and non current deposits		5.90	(58.56)
(Increase) / decrease in other financial assets and other current assets		(52.63)	(70.98)
Increase / (decrease) in trade payables		455.45	(7.68)
Increase / (decrease) in other financial liabilities and other current liabilities		(35.37)	(20.38)
Increase / (decrease) in current and non current provisions		3.83	(2.41)
Cash generated from/ (used) operations		**1,915.45**	**1,315.61**
Income taxes paid, net of refunds		(276.22)	(206.18)
Net cash flow from/ (used) in operating activities (A)		**1,639.23**	**1,109.43**
Cash flows from/ (used) investing activities			
Investment in bank deposits		(1,028.26)	(285.38)
Interest received		168.54	133.52
Net cash flow from/ (used) in investing activities (B)		**(859.72)**	**(151.86)**
Cash flows from/ (used) financing activities			
Lease payments		(739.66)	(822.47)
Interest paid		-	0.02
Loan given to related party		1,900.00	-
Repayment of loan from related party		(1,900.00)	-
Net cash flow from/ (used) in financing activities (C)		**(739.66)**	**(822.45)**
Net (decrease) in cash and cash equivalents (A+B+C)		**39.85**	**135.13**
Cash and cash equivalents at the beginning of the year (Note 10)		558.98	423.86
Cash and cash equivalents at the end of the year (Note 10)		**598.83**	**558.98**

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

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

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : 22 May 2025

S Ravichandran
Director
DIN: 01485845

Place : Chennai
Date : 22 May 2025

Kohei Maruoka
Managing Director
DIN: 10341982

Place : Chennai
Date : 22 May 2025

TVS TOYOTA TSUSHO SUPPLY CHAIN SOLUTIONS LIMITED
CIN: U74999TN2014PLC098233
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2025
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

A. Equity share capital

	Note No.	No. of Shares in Lakhs	Amount in Lakhs
Balance as at 1 April 2023	13	**20.00**	**200.00**
Changes in equity share capital during the year		-	-
Balance as at 31 March 2024		**20.00**	**200.00**
Changes in equity share capital during the year	13	-	-
Balance as at 31 March 2025		**20.00**	**200.00**

B. Other equity

	Attributable to owners		
	Retained earnings	**OCI**	**Total**
Balance at 01 April 2023	2,340.68	2.27	2,342.94
Profit / (loss) for the year	648.81	-	648.81
Re-measurement gains/ (losses) on defined benefit plans (net of tax)	-	(1.92)	(1.92)
Balance at 31 March 2024	**2,989.50**	**0.35**	**2,989.82**
Profit / (loss) for the year	790.60	-	790.60
Re-measurement gains/ (losses) on defined benefit plans (net of tax)	-	(3.80)	(3.80)
Balance at 31 March 2025	**3,780.10**	**(3.45)**	**3,776.62**

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

For and on behalf of the board of directors of
TVS Toyota Tsusho Supply Chain Solutions Limited

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : 22 May 2025

S Ravichandran
Director
DIN: 01485845

Place : Chennai
Date : 22 May 2025

Kohei Maruoka
Managing Director
DIN: 10341982

Place : Chennai
Date : 22 May 2025

TVS TOYOTA TSUSHO SUPPLY CHAIN SOLUTIONS LIMITED
CIN: U74999TN2014PLC098233
Notes to the financial statements for the year ended 31 March 2025
(All amounts are in Indian rupees (INR) lakhs except share data and otherwise stated)

1 Company Overview

TVS Supply Chain Solutions Limited ("the Company") was incorporated on 28 November 2014 and the name of the company was changed to TVS Toyota Tsusho Supply Chain Solutions Limited on 28 January 2015,the Company is a Joint Venture of TVS Supply chain Solutions Limited and Toyota Tsusho India Private Limited , companies registered in India. The Company was incorporated with the objective of providing logistics services mainly covering supply chain management services in Free Trade Warehousing Zones, material management solutions, tyre and wheel assembly solutions, In-plant warehouse and aftermarket warehousing services. The Company is currently engaged in FTWZ warehousing business, in-plant operations and the business movement of Completely Built Units ("CBU") i.e. motorcycles and scooters. The Company's registered office is situated at 58, Eldams Road, Teynampet, Chennai - 600018. The Company's identification No. (CIN) is U74999TN2014PLC098233.

2 Basis of preparation

A Statement of compliance

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

The financial statements were authorised for issue by the Company's Board of Directors on 22 May 2025
Details of the Company's accounting policies are included in Note 3.

B Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All values are rounded off to the nearest two decimal lakhs except where otherwise stated.

C Basis of measurement

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

Items	Measurement basis
Certain financial assets and liabilities	Initially at fair value and then at amortised cost
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have a duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III (Division II) to the Companies Act, 2013.

D Use of estimates and judgements

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

Critical estimates and judgements

The areas involving critical estimates or judgements are

Measurement of defined benefit obligations: key actuarial assumptions - Note 3 J
Provision for inventory - Note 3 G
Provision for current tax expense and current tax payable - Note 3 M
Estimated useful life of property, plant & equipment - Note 3 F

2 Basis of preparation (continued)

E Measurement of fair values

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

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

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

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

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

Further information about the assumptions made in measuring fair values is included in the following notes:
Note 34 financial instruments

3 Material accounting polices

A Revenue

Rendering of services

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Such revenue is recognised upon the Company's performance of its contractual obligations and on satisfying all the following conditions:

(1) Parties to the contract have approved the contract and undertaken to perform their respective obligations;
(2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the "Transfer");
(3) Such contract contains specific payment terms in relation to the Transfer;
(4) Such contract has a commercial nature, namely, it will change the risk, time distribution or amount of the Company's future cash flow;
(5) The Company is likely to recover the consideration it is entitled to for the Transfer to customers.

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

In the case of transportation services, the performance obligations are satisfied over the period as the shipments move from origin to destination and revenue is recognized proportionally as a shipment moves and the related costs are recognized as incurred.

3 Material accounting polices (continued)

A Revenue (continued)

Sale of goods
Revenue from sale of traded goods including telecommunication goods is recognised when the control of the same is transferred to the customer, generally on delivery of the goods and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods.

B Leases

i. Determining whether an arrangement contains a lease

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

ii. Assets Taken on Lease

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

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

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

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

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Interest-bearing loans and borrowings. (see note : 5c)

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

3 Material accounting polices (continued)

B Leases (continued)

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

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

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

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

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

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

C Foreign currency transactions

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

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

Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective
- qualifying cash flow hedges to the extent that the hedges are effective.

D Financial instruments

i. Recognition and initial measurement

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

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

ii. Classification and subsequent measurement
Financial assets

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

- amortised cost;
- FVTPL

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

3 Material accounting polices (continued)

E Financial instruments (continued)

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets: Subsequent measurement and gains and losses

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

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii. Derecognition

Financial assets

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

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

Financial liabilities

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

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

iv. Offsetting

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

3 Material accounting polices (continued)

F Property, plant and equipment

i. Recognition and measurement

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

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

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

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

ii. Subsequent expenditure

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

iii. Depreciation

All items of Property, Plant and Equipment are stated at historical cost less Depreciation. Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

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

Asset	**Useful life (in years)**
Office equipment	5
Computer equipment	3
Furniture & Fixtures	
a. Plastic Pallets	3
b. Other than Plastic Pallets	10
Plant and Machinery	15
Vehicle	3

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. The residual value of all the assets is 5% except vehicle which is taken at 20% of the original cost of the asset. 100% depreciation is charged for assets whose gross block is less than Rs 5000.

Leasehold improvements are depreciated over the period of lease or useful life as per Schedule II whichever is lower

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

Vehicles given as employee car lease scheme are depreciated over the lease period after adjusting the residual value recoverable from the employees.

G Inventory

Cost of purchased inventory are determined after deducting rebates and discounts. Inventories are held for sale and stated at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary, based on management estimate. Net realisable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost is determined on weighted average basis.

3 Material accounting polices (continued)

H Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost

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

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

- debt securities that are determined to have low credit risk at the reporting date; and

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

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

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

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

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

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

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

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

ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

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

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

3 Material accounting polices (continued)

H Impairment (continued)

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

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

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

I Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in Profit and Loss over the period of the borrowings using the effective interest method. Borrowings are removed from the balance sheet once the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current liabilities unless the company has an unconditional right to defer the settlement of the liability for atleast 12 months after the reporting period. Where there is a breach of a material provision of a long term loan agreement on or before the end of the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

J Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme and Employees State Insurance Scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

3 Material accounting polices (continued)

J Employee benefits (continued)

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises any gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

K Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

L Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.
Interest income or expense is recognised using the effective interest method.
The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the net carrying amount of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3 Material accounting polices (continued)

M Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

ii. Uncertainty over Income Tax Treatment

Tax treatment of an item is considered as uncertain when there is uncertainty whether the relevant taxation authority will accept the tax treatment of that item or not.

If there is uncertainty over tax treatment of an item:
1. An entity should determine an approach or method that predicts the resolution of the uncertainty. Based on the approach, the entity shall determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments.
2. It shall assess whether it is probable that the taxation authority will accept the uncertain tax treatment, assuming that the authority has full right to examine the treatment and has full knowledge of all related information.
3. If it is probable that the taxation authority will accept the tax treatment, there will be no impact on the amount of taxable profits/losses, tax bases, unused tax losses/credits and tax rates. In viceversa case, the entity shall show the effect of the uncertainty for each uncertain tax treatment on amount of related aforesaid items by using either the most likely outcome or the expected outcome of the uncertainty.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(iii) Current and deferred tax expense for the year

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3 Material accounting polices (continued)

N Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

O Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

P Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

Q Segment reporting

The Company is engaged in only one business namely logistics services covering transportation service and supply chain management services in Free Trade Warehousing Zones, material management solutions, tyre and wheel assembly solutions, In-plant warehouse and aftermarket warehousing services. The entity's chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company does not have multiple segments and these financial statements are reflective of the information required by Ind AS 108.

R Standards notified but not yet effective

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Ind AS 117 Insurance Contracts

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

• A specific adaptation for contracts with direct participation features (the variable fee approach)
• A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 does not have material impact on the Company's separate financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

(ii) Amendments to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments do not have a material impact on the Company's financial statements.

S Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2025 to amend the following Ind AS which are effective from 01 April 2025.

(i) There are no standards that are notified and not yet effective as on the date.

4 Property, plant and equipment

A Reconciliation of carrying amount

	Office Equipment	Computer Equipment	Furniture & Fixtures	Leasehold Improvements	Plant & Machinery	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying amount								
Balance as at 1st April 2023	60.88	12.28	56.01	19.95	36.32	185.44	6.70	192.14
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Balance at 31 March 2024	**60.88**	**12.28**	**56.01**	**19.95**	**36.32**	**185.44**	**6.70**	**192.14**
Additions	-	-	6.70	-	-	6.70	-	6.70
Disposals	-	-	-	-	-	-	-	-
Transferred to Property, plant and equipment	-	-	-	-	-	-	(6.70)	(6.70)
Balance at 31 March 2025	**60.88**	**12.28**	**62.71**	**19.95**	**36.32**	**192.14**	**-**	**192.14**
Accumulated depreciation								
Balance as at 1st April 2023	40.15	11.07	19.77	7.88	8.66	87.54	-	87.54
Depreciation for the year	10.29	0.48	5.38	1.90	2.30	20.36	-	20.36
Disposals	-	-	-	-	-	-	-	-
Balance at 31 March 2024	**50.44**	**11.55**	**25.15**	**9.78**	**10.96**	**107.90**	**-**	**107.90**
Depreciation for the year	6.52	0.36	7.20	-	2.30	16.37	-	16.37
Disposals	-	-	-	-	-	-	-	-
Balance at 31 March 2025	**56.96**	**11.91**	**32.35**	**9.78**	**13.26**	**124.28**	**-**	**124.28**
Carrying amounts (net)								
At 31 March 2024	**10.44**	**0.73**	**30.86**	**10.17**	**25.36**	**77.53**	**6.70**	**84.24**
At 31 March 2025	**3.93**	**0.37**	**30.36**	**10.17**	**23.06**	**67.88**	**-**	**67.88**

B. Ageing of capital work-in-progress

As of 31 March 2025	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**> 3 years**	**Total**
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

As of 31 March 2024	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**> 3 years**	**Total**
Projects in progress	-	-	6.70	-	**6.70**
Projects temporarily suspended	-	-	-	-	-
	-	**-**	**6.70**	**-**	**6.70**

5 Right of use assets

a Underlying Asset

The Company as a lessee has obtained various premises in long term lease contracts to operate warehouse, parking yard. The ROU assets pertain to right to use the underlying assets i.e. warehouse premises, parking yard throughout the period of lease.

b Set out below are the carrying amounts of right of use assets recognised and the movements during the year

	Building	Total
Net carrying amount		
Balance as at 1st April 2023	2,104.50	**2,104.50**
Additions	190.78	**190.78**
Reversals *(less)*	-	**-**
Amortisation *(less)*	(618.87)	**(618.87)**
Balance as at 31st March 2024	**1676.41**	**1676.41**
Additions	1.15	1.15
Reversals *(less)*	-	-
Amortisation *(less)*	(549.84)	(549.84)
Balance as at 31st March 2025	**1,127.72**	**1,127.72**

c Set out below are the carrying amounts of lease liabilities and the movement during the year	**31 March 2025**	**31 March 2024**
Balance at the beginning of the year	2,215.48	2,625.97
Additions	1.15	180.71
Accretion of interest	168.75	221.20
Payments	(739.66)	(812.39)
Reversals	-	-
Balance at the end of the year	**1,645.72**	**2,215.48**
Current	358.61	569.76
Non - Current	1,287.11	1,645.72

d The following are recognised in the statement of profit and loss	**31 March 2025**	**31 March 2024**
Amortisation expenses of right of use assets	549.84	618.87
Interest expenses on lease liabilities	168.75	221.20
Expenses relating to short term leases	154.33	23.67
Total amount recognised in profit or loss	**872.92**	**863.74**

6 Deposits and other receivables

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Security deposits				
Unsecured considered good	151.33	344.33	224.34	3.41
	151.33	**344.33**	**224.34**	**3.41**
Other deposits				
National Savings Certificate Deposit	3.62	-	-	-
	3.62	**-**	**-**	**-**
Other receivables				
Gratuity plan assets	5.57	15.09	-	-
	5.57	**15.09**	**-**	**-**
	160.52	**359.42**	**224.34**	**3.41**

7 Deferred tax assets (net)

	31 March 2025	31 March 2024
Deferred income tax assets (DTA)		
Accrued compensation to employees	15.71	10.23
Provision for doubtful trade receivables	27.72	29.06
Property plant and equipment	5.39	4.31
Net lease liability	130.37	135.67
Expenses allowable on remittance of withholding taxes	28.93	20.82
	208.12	**200.09**
	208.12	**200.09**

8 Inventories

	31 March 2025	31 March 2024
(at lower of cost or net realisable value)		
Stock in trade	63.22	78.79
Provision for inventory	(32.12)	(32.12)
	31.10	**46.67**

9 Trade receivables (Current)

	31 March 2025	31 March 2024
Trade receivables considered good - Unsecured	1,143.42	1,147.74
Trade receivables Unsecured, considered good from related parties	10.89	10.39
Trade receivable - credit impaired	77.99	83.34
	1,232.30	1,241.46
Less: Provision for credit impaired receivables	(77.99)	(83.34)
	1,154.30	**1,158.13**
Current portion	1,154.30	1,158.13

Ageing of trade receivable from the due date of payment:

31 March 2025	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good							
Undisputed, external	499.42	601.55	42.40	0.05	-	-	1,143.42
Related Parties	6.14	4.72	0.02	-	-	-	10.89
	505.56	606.27	42.42	0.05	-	-	1,154.30
Trade Receivables - credit impaired							
Undisputed, external	2.32	4.41	0.87	70.39		-	77.99
Related Party	-	-	-	-	-	-	-
	2.32	4.41	0.87	70.39	-	-	77.99
	507.88	**610.68**	**43.29**	**70.44**	**-**	**-**	**1,232.30**

Trade receivables (continued)

31 March 2024	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good							
Undisputed, external	1,054.56	90.12	2.89	0.17	-	-	1,147.74
Related Parties	10.39	-	-	-	-	-	10.39
	1,064.95	90.12	2.89	0.17	-	-	1,158.13
Trade Receivables - credit impaired							
Undisputed, external	4.53	62.40	3.83	12.58	-	-	83.34
Related Parties	-	-	-	-	-	-	-
	4.53	62.40	3.83	12.58	-	-	83.34
	1,069.49	**152.52**	**6.72**	**12.75**	**-**	**-**	**1,241.46**

10 Cash and cash equivalents

	31 March 2025	31 March 2024
Cash on hand	0.15	0.15
	0.15	**0.15**
Balance with banks		
On current accounts	598.68	346.52
	598.68	**346.52**
Other bank balances		
Deposits with original maturity of less than 3 months	-	212.30
	-	**212.30**
	598.83	**558.97**

11A Other bank balances

	31 March 2025	31 March 2024
Fixed deposits with banks with original maturity of more than 3 months but less than 12 months (including interest accrued thereon)	2,839.80	1,811.54
	2,839.80	**1,811.54**

11B Other financial assets

	31 March 2025	31 March 2024
Employee advances	9.21	9.30
	9.21	**9.30**

12 Other assets

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Advance for supply of goods and services to parties other than related parties				
Unsecured considered good	-	-	34.52	33.67
	-	**-**	**34.52**	**33.67**
Other current assets				
Prepaid expenses	-	-	-	0.63
Unbilled revenue	-	-	244.40	191.91
	-	**-**	**244.40**	**192.54**
	-	**-**	**278.92**	**226.21**

13 Equity share capital

	31 March 2025	31 March 2024
Authorised share capital		
2,000,000 (31 March 2024 : 2,000,000) equity shares of INR 10 each	200.00	200.00
Issued, subscribed and paid up capital		
2,000,000 (31 March 2024 : 2,000,000) equity shares of INR 10 each	200.00	200.00
Total issued, subscribed and paid up capital	**200.00**	**200.00**

Reconciliation of shares outstanding at the beginning and at end of the reporting period

	31 March 2025		31 March 2024	
	Nos In lakhs	**INR in lakhs**	**Nos In lakhs**	**INR in lakhs**
Equity shares				
At the beginning of the year	20.00	200.00	20.00	200.00
Movement during the year	-	-	-	-
Outstanding at the end of the year	**20.00**	**200.00**	**20.00**	**200.00**

Rights, preferences and restrictions attached to equity shares

The company has one class of equity shares having face value of ₹ 10 per share. Each holder of equity shared is entitled to one vote per share.
The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting ("AGM").

Shares held by holding / ultimate holding company and / or their subsidiaries / associates

Shares of the company held by holding / ultimate holding company

Out of the equity shares issued by the Company, shares held by the holding company are stated below:

	31 March 2025	31 March 2024
TVS Supply Chain Solutions Limited		
1,200,000 (31 March 2024: 1,200,000) equity shares of ₹ 10 each fully paid up	120.00	120.00

Details of shareholders holding more than 5% shares in the company

	31 March 2025		31 March 2024	
	Number of shares	**% holding**	**Number of shares**	**% holding**
Equity shares of ₹ 10 each, fully paid up				
TVS Supply Chain Solutions Limited	1,200,000	60%	1,200,000	60%
Toyota Tsusho India Private Limited	800,000	40%	800,000	40%

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A Other equity

Retained Earnings

Retained earnings are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

	31 March 2025	31 March 2024
Retained earnings	3,780.09	2,989.48
	3,780.09	**2,989.48**

Retained earnings	**31 March 2025**	**31 March 2024**
Opening balance	2,989.48	2,340.68
Net profit for the year	790.60	648.81
	3,780.09	**2,989.48**

B Changes in item of OCI

Remeasurement of defined benefit liability

	31 March 2025	31 March 2024
Opening Balance	0.35	2.27
Remeasurement of defined benefit liability	(3.79)	(1.92)
Closing Balance	**(3.45)**	**0.35**

15 Lease liabilities

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Lease liabilities (Refer note 5)	1,287.11	1,645.72	358.61	569.76
	1,287.11	**1,645.72**	**358.61**	**569.76**

16 Provisions

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Provisions for employee benefits				
Liability for compensated absences	10.70	8.08	11.83	8.75
	10.70	**8.08**	**11.83**	**8.75**

17 Trade payables

	31 March 2025	31 March 2024
Trade payables to related parties (Refer Note 34C)	14.97	24.35
Total outstanding dues to Micro & Small Enterprises (Refer Note 39)	44.63	-
Total outstanding dues of creditors other than Micro & Small Enterprises	857.73	513.45
	917.33	**537.80**

31 March 2025	**Not due**	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Related Parties	-	8.54	-	1.77	4.67	14.97
Undisputed dues - MSE	44.63	-	-	-	-	44.63
Undisputed dues - Others	810.65	14.80	31.71	-	0.57	857.73
	855.28	**23.34**	**31.71**	**1.77**	**5.24**	**917.33**

31 March 2024	**Not due**	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Related Parties	11.93	5.84	1.91	-	4.67	24.35
Undisputed dues - MSE	-	-	-	-	-	-
Undisputed dues - Others	13.17	319.62	48.32	112.03	20.31	513.45
	25.10	**325.46**	**50.24**	**112.03**	**24.98**	**537.80**

18 Other financial liabilities

	31 March 2025	31 March 2024
Amount due to employees	47.51	69.69
	47.51	**69.69**

19 Income tax liabilities (net)

	31 March 2025	31 March 2024
Income tax payables (net of tax deducted at source & advance tax)	42.48	46.81
	42.48	**46.81**

20 Other current liabilities

	31 March 2025	31 March 2024
Statutory dues	48.40	57.94
Other payables	0.15	-
	48.55	**57.94**

21 Revenue from operations

	Year ended 31 March 2025	Year ended 31 March 2024
Sale of goods	742.98	626.82
Sale of services		
Income from supply chain management services (Refer Note 38)	4,958.26	4,510.87
	5,701.24	**5,137.69**

22 Other income

	Year ended 31 March 2025	Year ended 31 March 2024
Interest income from Bank	99.75	133.52
Interest income - security deposit	27.93	30.32
Interest income on a loan to holding company	68.79	-
Provisions no longer required written back	76.00	143.87
Other non operating income	-	1.20
	272.47	**308.92**

23 Cost of material consumed

	Year ended 31 March 2025	Year ended 31 March 2024
Consumption of stores and spares	10.07	3.94
Purchase of stock-in-trade	369.98	361.94
	380.05	**365.88**

24 Change in Inventories

	Year ended 31 March 2025	Year ended 31 March 2024
Opening stock of traded goods	46.67	43.69
Closing stock of traded goods	(31.27)	(46.67)
	15.40	**(2.98)**

25 Employee benefits expense

	Year ended 31 March 2025	Year ended 31 March 2024
Salaries, wages and bonus	506.32	497.63
Contribution to provident and other funds (Refer Note 32.1)	47.66	49.42
Expenses related to post-employment defined benefit plans (Refer Note 32.2)	4.45	3.29
Expenses related to compensated absences	6.54	4.30
Staff welfare expenses	66.31	47.21
	631.28	**601.85**

26 Finance costs

	Year ended 31 March 2025	Year ended 31 March 2024
Interest expenses	1.03	(0.01)
Interest on lease liabilities	168.75	221.20
	169.78	**221.19**

27 Depreciation and amortization expense

	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation of property, plant and equipment	16.37	20.36
Amortisation of right of use asset	549.84	618.87
	566.21	**639.23**

28 Other expenses

	Year ended 31 March 2025	Year ended 31 March 2024
Staff transportation charges	180.89	97.36
Material handling charges	6.63	7.74
Casual labour charges	766.20	484.05
Freight charges	1,450.63	1,556.18
Hire charges	69.23	57.72
Power and fuel	18.05	18.70
Rent	154.33	23.67
Rates and taxes	82.09	141.60
Insurance	0.43	1.05
Repairs and maintenance - buildings & Others	66.34	57.39
Communication costs	5.34	10.44
Printing and stationery	0.11	0.73
Bank charges	1.36	1.30
Legal and professional fees	308.25	270.99
Security expenses	44.78	44.23
Payment to auditors (refer note 28 (a))	7.35	7.00
Corporate social responsibility expenses	15.88	13.65
Miscellaneous expenses	3.85	1.38
	3,181.74	**2,795.17**

(a) Details of payment to auditors

Statutory audit	6.85	6.50
Tax audit	0.50	0.50
	7.35	**7.00**

29 Earnings per share

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

(i) Profit (loss) attributable to equity shareholders	**31 March 2025**	**31 March 2024**
Profit (loss) for the year, attributable to the equity holders	790.60	648.83

(ii) Weighted average number of equity shares	**31 March 2025**	**31 March 2024**
Weighted average number of equity shares outstanding during the year (in lakhs)	20.00	20.00
Weighted average number of equity shares for the year	**20.00**	**20.00**
Basic and diluted earnings per share (Rs.)	39.53	32.44
Face value per Equity Share (Rs.)	10.00	10.00

30 Operating segments

The Company is engaged in only one business namely logistics services covering transportation service and supply chain management services in Free Trade Warehousing Zones, material management solutions, tyre and wheel assembly solutions, In-plant warehouse and aftermarket warehousing services. The entity's chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company does not have multiple segments and these financial statements are reflective of the information required by Ind AS 108.

A. Geographic information:

The geographic information analyses the Company's revenue by country of domicile and other countries. In presenting the geographical information, revenue has been determined based on the geographic location of the customers.

	31 March 2025	31 March 2024
India	5,701.25	5,137.69
	5,701.25	**5,137.69**

The Company's operations are entirely carried in India and as such all its non-current assets are located in India.

B. Major Customers

Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:

	31 March 2025	31 March 2024
Customer A	2,675.65	2,455.31
Customer B	2,098.69	1,928.84
	4,774.34	**4,384.15**

31 Income tax

A Amounts recognised in profit or loss

	31 March 2025	31 March 2024
Current tax		
Current year	271.89	207.96
Deferred tax		
Attributable to–		
Right of use asset and lease liability	5.30	(4.43)
Origination and reversal of other temporary differences	(11.41)	15.68
	(6.11)	**11.25**
Income tax expense	**265.78**	**219.21**

B Income tax recognised in other comprehensive income

	31 March 2025			31 March 2024		
	Before tax	**Tax (expense) benefit**	**Net of tax**	**Before tax**	**Tax (expense) benefit**	**Net of tax**
Remeasurements of defined benefit liability (asset)	(5.07)	1.28	(3.79)	(2.56)	0.64	(1.92)
	(5.07)	**1.28**	**(3.79)**	**(2.56)**	**0.64**	**(1.92)**

C Reconciliation of effective tax rate

	31 March 2025	**31 March 2025**	**31 March 2024**	**31 March 2024**
Profit before tax		1,056.38		868.05
Tax using the Company's domestic tax rate	25.17%	265.89	25.17%	218.49
Effect of:				
Non-Deductible expenses	0.00%	-	0.41%	3.55
Permanent disallowance	0.38%	4.00	0.40%	3.44
Others	-0.39%	(4.11)	-0.72%	(6.27)
Effective tax rate	**25.16%**	**265.78**	**25.25%**	**219.21**

31 Income tax (Continued)

D Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following

	Deferred tax (assets)		Deferred tax(liabilities)		Net deferred tax asset/(liabilities)	
	31 March 2025	**31 March 2024**	**31 March 2025**	**31 March 2024**	**31 March 2025**	**31 March 2024**
Property, Plant and equipment	5.39	4.31	-	-	5.39	4.31
Provisions - employee benefits	15.71	10.23	-	-	15.71	10.23
Provisions - ECL & inventory	27.72	29.06	-	-	27.72	29.06
Expenses allowable on remittance of with-holding taxes	28.93	20.82	-	-	28.93	20.82
Right of use asset and lease liability	130.37	135.68	-	-	130.37	135.68
Deferred tax (assets) liabilities	**208.12**	**200.09**	**-**	**-**	**208.12**	**200.09**
Offsetting of deferred tax assets and deferred tax liabilities	-	-	-	-	-	-
Net deferred tax (assets) liabilities	**208.12**	**200.09**	**-**	**-**	**208.12**	**200.09**

Movement in temporary differences

	Balance as at 1st April 2023	**Recognised in profit or loss during the year**	**Recognised in OCI during the year**	**31 March 2024**	**Recognised in profit or loss during the year**	**Recognised in OCI during the year**	**Balance as at 31 March 2025**
Property, plant and equipment	2.75	1.56	-	4.31	1.09	-	5.39
Provisions - employee benefits	13.31	(3.08)	0.64	10.23	3.56	1.28	15.71
Provisions - ECL & inventory	36.04	(6.98)	-	29.06	(1.34)	-	27.72
Expenses allowable on remittance of with-holding taxes	28.00	(7.18)	-	20.82	8.11	-	28.93
Right of use asset and lease liability	131.24	4.43	-	135.68	(5.30)	-	130.37
	211.35	**(11.26)**	**0.64**	**200.09**	**6.11**	**1.28**	**208.12**

32 Employee benefits

32.1 Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund (PF) and employees' state insurance (ESI) scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and ESI for the year aggregated to INR 47.66 Lakhs (March 31, 2024: INR 49.42 lakhs)

32.2 Defined benefit plans

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Provision for gratuity	-	-	-	-
Gratuity plan assets	5.57	15.09	-	-

The Company has a defined benefit gratuity plan in India (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee at the time of retirement, death or termination of employment.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

Funding :

The gratuity plan of the Company is a funded plan with the Company making periodic contributions to a fund managed by Life Insurance Corporation (LIC).

32.3 Other Long term employee benefits

The employees can carry-forward a portion of the unutilized accrued earned leave and utilize it in future service periods or receive cash compensation on termination of employment.

Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

32.4 Assets and liabilities relating to employee benefits

	31 March 2025	31 March 2024
Net defined benefit liability/(asset) for Gratuity	(5.56)	(15.09)
Liability for compensated absences	22.54	16.83
Total employee benefit liabilities	**16.98**	**1.74**

A Gratuity

(i) Reconciliation of present value of defined benefit obligation

	31 March 2025	31 March 2024
Balance at the beginning of the year	36.52	27.27
Benefits paid	(11.79)	-
Current service cost	6.07	5.22
Interest cost	2.06	1.56
Past service gain		
Actuarial (gains) losses recognised in other comprehensive income		
Changes in demographic assumptions	(0.31)	1.80
Changes in financial assumptions	0.52	0.07
Experience adjustments	3.24	0.59
Balance at the end of the year	**36.31**	**36.52**

(ii) Expense recognised in Statement of Profit and Loss

	31 March 2025	31 March 2024
Current service cost	6.07	5.22
Interest cost / (Income)	2.06	1.56
Interest income	(3.68)	(3.49)
	4.45	**3.29**

(iii) Remeasurements recognised in other comprehensive income

	31 March 2025	31 March 2024
Actuarial (gain) loss on defined benefit obligation	5.07	2.56
Return on plan assets excluding interest income	-	-
	5.07	**2.56**

A Gratuity (Continued)

(iv) Changes in fair value of plan assets

	31 March 2025	31 March 2024
Fair value of plan assets as at the beginning	51.61	48.20
Interest income	3.68	3.49
Benefits paid	(11.79)	-
Actuarial gain/(loss) on Plan assets	(1.63)	(0.09)
Fair value of plan assets as at the end	**41.87**	**51.61**

The gratuity plan of the Company is a funded plan with the Company making periodic contributions to a fund managed by Life Insurance Corporation (LIC).

(v) Major categories of plan assets (as a percentage of total plan assets)

	31 March 2025	31 March 2024
Funds managed by insurer	100%	100%

(vi) Assets and Liability Balance Sheet Position

	31 March 2025	31 March 2024
Present value of obligation	(36.31)	(36.52)
Fair value of plan assets	41.87	51.61
Net asset / (liability)	**5.56**	**15.09**

Plan assets

D. Defined benefit obligation

B Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted average)

	31 March 2025	31 March 2024
Gratuity		
Discount rate	6.53%	7.14%
Future salary growth	10.00%	10.00%
Attrition rate	40.00%	39.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Leave		
Discount rate	6.53%	7.14%
Future salary growth	10.00%	10.00%
Attrition rate	40.00%	39.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

C Sensitivity analysis

	31 March 2025		31 March 2024	
	Increase	**Decrease**	**Increase**	**Decrease**
Gratuity				
Discount rate (1% movement)	(0.84)	0.88	(0.73)	0.76
Future salary growth (1% movement)	1.01	(0.98)	0.87	(0.85)
Attrition rate (50% movement)	(4.83)	10.30	(4.94)	9.29

	31 March 2025	31 March 2024
Expected cash flows over the next (valued on undiscounted basis):	**Gratuity**	**Gratuity**
1 year	11.31	15.28
2 to 5 years	24.51	20.90
6 to 10 years	6.34	5.97
More than 10 years	0.79	0.81

33	**Contingent liabilities and capital commitments**	**31 March 2025**	**31 March 2024**
	Contingent liabilities - GST related matters	-	41.24

From time to time, the Company is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations, or cash flows of the Company.

	Estimated capital commitments	-	-

There are no capital commitments outstanding as at March 31, 2025 and March 31, 2024 respectively.

34 Related party disclosure

A Parent and ultimate controlling party

Related parties with whom transactions have taken place during the year:

Nature of relationship	**Name of the entity**
Holding company	TVS Supply Chain Solutions Limited
Key managerial personnel	Kohei Maruoka (From October 06, 2023) - Managing Director S. Ravichandran - Director R. Shankar- Director Raviprakash Bhagavathula- Director Lokesha (From June 08,2023) - Director
Key managerial personnel of Holding company	Ravi Viswanathan, Managing Director
Entity having significant influence on the Company	Toyota Tsusho India Private Limited TVS Mobility Private Limited Sundaram Industries Private Limited Sundaram Fasteners Limited T V Sundaram Iyengar & Sons Private Limited
Fellow Subsidiary	TVS SCS Global Freight Solutions Limited
Subsidiary of Toyota Tsusho India Private Limited	TT Bharat Integrated logistics Private Limited (Till : 25th April 23) Toyotsu Bharat Integrated Services Private Limited (From : 26th April 23)

B Related party transactions other than those with key managerial personnel

	31 March 2025	**31 March 2024**
Transactions during the year:		
Income from logistics services (from/to)		
T V Sundaram Iyengar & Sons Private Limited	-	(2.31)
TVS Mobility Private Limited	9.10	16.69
Toyota Tsusho India Private Limited	14.60	14.59
Sundaram Industries Private Limited	18.72	18.73
Sundaram Fasteners Limited	0.61	0.66
TT Bharat Integrated logistics Private Limited	-	3.57
Toyotsu Bharat Integrated Services Private Limited	18.04	18.09
TVS SCS Global Freight Solutions Limited	3.61	1.97
Reimbursement for expenses (from/to)		
T V Sundaram Iyengar & Sons Private Limited	-	(1.79)
TVS Mobility Private Limited	1.63	3.81
Toyota Tsusho India Private Limited	3.93	3.93
Interest Income (ICD)		
TVS Supply Chain Solutions Limited	68.79	-

B Related party transactions other than those with key managerial personnel (Continued)

	31 March 2025	31 March 2024
Professional fees		
TVS Supply Chain Solutions Limited	198.82	180.75
TT Bharat Integrated logistics Private Limited	-	10.82
Toyotsu Bharat Integrated Services Private Limited	95.90	62.62
Purchase of Stock in Trade		
TVS Supply Chain Solutions Limited	-	196.36
Rent		
TVS Supply Chain Solutions Limited	3.24	3.24
TVS Mobility Private Limited	2.00	2.00
Other Expenses		
TVS Supply Chain Solutions Limited	-	13.65
Loans		
Given during the year		
TVS Supply Chain Solutions Limited	1,900	-
Repayments made during the year		
TVS Supply Chain Solutions Limited	1,900	-

C Year end balances

	31 March 2025	31 March 2024
Receivables		
Toyota Tsusho India Private Limited	1.54	1.78
Toyotsu Bharat Integrated Services Private Limited	4.03	2
TVS Mobility Private Limited	0.86	2.06
Sundaram Industries Private Limited	1.83	3.69
Sundaram Fasteners Limited	-	0.06
TVS SCS Global Freight Solutions Limited	2.62	0.48
Payables		
TVS Supply Chain Solutions Limited	6.43	18.51
Toyotsu Bharat Integrated Services Private Limited	8.54	5.84

Terms and Conditions of Transactions with Related Parties

(a)During the year, the Company provided loans amounting to Rs.1900 lacs to TVS Supply Chain Solutions Limited for working capital purposes, which were repayable on demand, carried an interest of 9% per annum. These loans were given at the prevailing interest rate on an arm's length basis. These were repaid during the year.

(b)Sales and purchases are made from / to related parties on the same terms as applicable to third parties in an arm’s length transaction and in the ordinary course of business. Such sales and purchases generally include payment terms requiring related party to make payment within 30 to 60 days from the date of invoice.

(c)The Company pays cross charges to the holding company, TVS Supply Chain Solutions Limited based on the invoice raised by them. These were calculated based on the common expenses incurred by the holding company apportioned to the Company with a reasonable / arm's length mark-up.

(d)Rental expenses paid by the Company to the related parties is based on the prevailing market prices on a arm's length basis.

(e)Trade receivables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been received against these receivables. The amounts are recoverable within 30 to 60 days from the reporting date (March 31, 2024: 30 to 60 days from the reporting date). For the year ended March 31, 2025, the Group has not recorded any impairment on receivables due from related parties (March 31, 2024: Nil).

(f)Trade payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been given against these payables. The amounts are payable within 30 to 60 days from the reporting date (31 March 2024: 30 to 60 days from the reporting date).

35 Financial instruments - Fair values and risk management

A Accounting classifications and fair value

This section explains the carrying amounts and fair values of financial assets and liabilities, including judgements and estimates made in determining the fair values of the standalone financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as described in Note 3.

		31 March 2025			31 March 2024		
	Note	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Finance assets not measured at fair value							
Deposits and other receivables	**6**	-	-	384.86	-	-	362.83
Trade receivables	**9**	-	-	1,154.30	-	-	1,158.13
Cash and cash equivalents	**10**	-	-	598.83	-	-	558.97
Other financial assets	**11B**	-	-	9.21	-	-	9.30
Other bank balances	**11A**			2,839.80			1,811.54
		-	**-**	**4,987.01**	**-**	**-**	**3,900.77**
Financial liabilities not measured at fair value							
Lease Liabilities	**15**	-	-	1,645.72	-	-	2,215.48
Trade payables	**17**	-	-	872.70	-	-	537.80
Other financial liabilities	**18**	-	-	47.51	-	-	69.69
Borrowings		-	-	-	-	-	-
		-	**-**	**2,565.93**	**-**	**-**	**2,822.97**

B Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the standalone financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(a) Financial assets and liabilities measured at amortised cost

C Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

C Financial risk management (contd.)

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments.
The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of the Company's trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for trade and other receivables are as follows:

	Carrying amount	
	31 March 2025	**31 March 2024**
Trade receivables	1,154.30	1,158.13
Unbilled revenue	244.40	191.91
Total trade and other receivables	**1,398.70**	**1,350.04**
Deposits and other receivables	384.86	362.83
Cash & cash equivalents	598.83	558.97
Other bank balances	2,839.80	1,811.54
Other financial assets	9.21	9.29
Total	**5,231.40**	**4,092.68**

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.
Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.
The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available press information about customers. In order to calculate the loss allowance, loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency through write-off. Roll rates are calculated separately for exposures in different stages of delinquency primarily determined based on the time period for which they are past due.

The company has concentration of credit risk due to the fact that the company has significant receivables from the major customers amounting to Rs. 1,154.30 lakhs (31 March 2024 - Rs. 1,1158.13Lakhs) .

However these customers are highly reputed and credit worthy and regular in making payments.
The ageing of trade receivables that were not impaired as at the reporting date was:

C Financial risk management (contd.)

31 March 2025

	Gross carrying amount	Weighted-average loss rate	Loss allowance	Net carrying amount
Not due	507.88	0.46%	2.32	505.56
Past due 1-90 days	552.23	0.46%	2.55	549.68
Past due 90-180 days	58.45	3.18%	1.86	56.59
Past due 181-270 days	42.52	0.24%	0.10	42.42
Past due 271-365 days	0.77	100.00%	0.77	-
Past due for more than 365 days	70.44	99.93%	70.39	0.05
Total	**1,232.29**		**77.99**	**1,154.30**

31 March 2024

	Gross carrying amount	Weighted-average loss rate	Loss allowance	Net carrying amount
Not due	1,069.49	0.42%	4.53	1,064.95
Past due 1-90 days	131.80	31.62%	41.67	90.13
Past due 90-180 days	20.72	100.00%	20.72	-
Past due 181-270 days	6.40	55.19%	3.53	2.87
Past due 271-365 days	0.29	100.00%	0.29	-
Past due for more than 365 days	12.75	98.65%	12.58	0.17
Total	**1,241.45**		**83.33**	**1,158.12**

Movements in the allowance for impairment in respect of trade receivables and loans

The movement in the allowance for impairment in respect of trade receivables and loans is as follows:

	31 March 2025	31 March 2024
Balances at 1 April	83.34	111.09
Provision for the year		
Balance of specific provision	(5.34)	(27.75)
Bad debts written off	-	-
Balance as at 31 March	**77.99**	**83.34**

Cash and bank balances

The Company holds cash and bank balances of INR 3,438.63 lakhs at 31 March 2025 (31 March 2024: INR 2,370.51 lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables
This balance is primarily constituted by security deposit given in relation to leasehold premises occupied by the Company for carrying out its operations. The Company does not expect any losses from non-performance by these counter-parties.

iii. Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities and assets at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

C Financial risk management (contd.)

	Carrying amount	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
31 March 2025							
Non derivative financial liabilities							
Lease liabilities	1,645.72	1,645.72	179.31	179.31	1,287.11		
Trade payables	872.70	872.70	872.70	-	-	-	-
Other financial liabilities	47.51	47.51	47.51	-	-	-	-
	2,565.93	**2,565.93**	**1,099.52**	**179.31**	**1,287.11**	**-**	**-**

	Carrying amount	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
31 March 2024							
Non derivative financial liabilities							
Lease liabilities	2,215.48	2,215.48	284.88	284.88	1,645.72	0.00	
Trade payables	537.80	537.80	537.80	-	-	-	-
Other financial liabilities	69.69	69.69	69.69	-	-	-	-
	2,822.97	**2,822.97**	**892.37**	**284.88**	**1,645.72**	**0.00**	**0.00**

iv. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Companies income or the value of holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

The following table analyzes foreign currency risk from financial instruments:

	As at 31 March 2025		As at 31 March 2024	
	INR	USD	INR	USD
Financial assets:				
Trade receivables	780.12	9.07	785.10	9.42
Net assets / (liabilities)	**780.12**	**9.07**	**785.10**	**9.42**

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues,receivables etc. are denominated in a currency other than the INR. The company does not hedge its foreign currency risk.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar against INR at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit / loss before tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2025				
USD (1% movement)	(7.80)	7.80	-	-
31 March 2024				
USD (1% movement)	(7.85)	7.85	(7.28)	7.28

C Financial risk management (contd.)

Interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

Fixed rate instruments

Financial assets	**As at 31 March 2025**	**As at 31 March 2024**
- Deposits with banks	2,839.80	1,811.54

Fair value sensitivity analysis for fixed-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (loans given, investments made and borrowings) are carried at amortised cost, any changes in interest rates are not considered for subsequent measurement.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

D Capital Management

The Company’s objective when managing capital is to

a) Safeguard its ability to continue as going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders; and

b) Maintain an optimal capital structure to reduce the cost of capital.

The Company maintains its financial framework to support the pursuit of value growth for shareholders, while ensuring a secure financial base. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Company consists of total equity (Refer Note 13 & 14). The Company is not subject to any externally imposed capital requirements.

The Company’s Board reviews the capital structure on a regular basis. As part of this review, the Board considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity.

The Company monitors capital using capital gearing ratio, which is net debt divided by total capital plus net debt.

Net debt comprises of long and short term borrowings less cash and bank balances. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Debt	-	-
Less : Cash and Bank Balances	3,438.63	2,370.51
Net Debt (A)	(3,438.63)	(2,370.51)
Equity (B)	3,976.62	3,189.85
Net debt to Equity Ratio (A/B)	(0.86)	(0.74)

36 Ratios Analysis

Ratios	Numerator	Denominator	31 March 2025	31 March 2024	% change
Current ratio	Current assets	Current liabilities	3.60	2.96	22%
Debt equity ratio	Total debt	Shareholder's equity*	-	-	0%
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & lease payments + Principal repayments	1.97	1.67	18%
Return on equity	Profit / (loss) attributable to Owners of the Company	Shareholder's equity	19.88%	20.34%	-2%
Inventory Turnover ratio	Cost of goods sold	Average Inventory	10.17	8.03	27%
Trade receivable turnover ratio	Net credit sales = Gross credit sales - sales return	Average trade receivable	4.93	4.61	7%
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	0.52	0.68	-23%
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	1.54	2.04	-25%
Net profit percentage	Net profit	Net sales = Total sales - sales return	13.87%	12.63%	10%
Return on capital employed	Earnings before interest and taxes	Capital employed = Tangible net worth + total debt + deferred tax liability	30.83%	34.15%	-10%

* The Company does not have any debts outstanding and hence this ratio is not applicable.

Reasons for change more than 25%

Inventory turnover ratio	The ratio has improved in current year due to decrease in closing inventory.
Net capital turnover ratio	The decrease in ratio is due to increase in sales during the current year.

37	**Corporate social responsibility (applicable for Companies registered in India)**	**31 March 2025**	**31 March 2024**
a	Amount required to be spent during the period	15.88	13.65
b	Amount approved by the board to be spent during the period	15.88	13.65
c	Amount spent during the period on:		
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than i) above - In cash*	15.88	13.65
d	Amount of expenditure incurred	15.88	13.65
e	Payment to related parties (TVS Supply Chain Solutions Limited)	-	13.65
f	Nature of CSR activities		13.65
	Activities specified in Schedule VII of the Act	15.88	13.65

*The Company has transferred the sum of Rs.15.88 lakhs to the funds specified in Schedule VII of the Companies Act, 2013 (the Act) within a period of six months of the expiry of the financial year, in compliance with second provision to sub section 5 of section 135 of the Act.

38 Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers":

A. Disaggregated revenue information

Segment	**31 March 2025**			**31 March 2024**		
	India	**Outside India**	**Total**	**India**	**Outside India**	**Total**
Type of goods or service						
Revenue from operations	5,701.25	-	5,701.25	5,137.69	-	5,137.69
Total revenue from contracts with customers	**5,701.25**	**-**	**5,701.25**	**5,137.69**	**-**	**5,137.69**

B. Timing of revenue recognition

Particulars	**31 March 2025**	**31 March 2024**
Goods transferred at a point in time	742.98	626.82
Services transferred over time	4,958.27	4,510.87
Total revenue from contracts with customers	**5,701.25**	**5,137.69**

C. Summary of contract balances

Particulars	**31 March 2025**	**31 March 2024**
Trade Receivables (Gross)	1,232.30	1,241.46
Contract assets	244.40	191.91

D. Reconciliation of Revenue from sale of products/services with the contracted price

There is no difference between the revenue recognised in the Statement of profit and loss with the contracted price.

39 Other Statutory infromation

A Micro, Small and Medium Enterprises Development Act, 2006

The Company has sought information from its existing suppliers regarding their registration under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in these financial statements based on information received and available with the Company, to the extent identified by the management.

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	44.63	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the 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 enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

B Benami property
The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

C Borrowings on the basis of current assets
The Company has not availed any borrowing on the basis of current assets during the current financial year.

D Relationship with struck off companies

The Company does not have any transactions with struck off Companies in the current financial year.

E Undisclosed income
The Company has no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

F Disclosure on Funding Transactions

There are no funds that have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

There are no funds that have been received by the Company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

G Crypto transactions
The Company has not traded or invested in crypto currency or virtual currency during the current financial year and prior financial year.

H Subsequent events
There are no significant subsequent events that have occurred after the reporting period till the date of this financial statements.

40 Audit Trail

The Company has used accounting software for maintaining its books of account, which includes a feature for recording an audit trail (edit log). This feature has been operational throughout the year for all relevant transactions recorded in the software. Further, there have been no instances of the audit trail feature being tampered with. Additionally, the audit trail records of prior year have been preserved by the company in accordance with the statutory requirements for record retention.

41 Backup of Books of Accounts

Proper books of accounts as required by the law have been kept by the Company. Backup of the books of accounts (including audit trail) and papers are maintained in electronic mode on servers physically located in India.

42 Prior year figures
Previous year figures have been regrouped / reclassified, where necessary, to conform to current year's classification.

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

for and on behalf of the board of directors of
TVS Toyota Tsusho Supply Chain Solutions Limited

Sriguruprasad N
Partner
Membership No. 225419

Place : Chennai
Date : 22 May 2025

S Ravichandran
Director
DIN: 01485845

Place : Chennai
Date : 22 May 2025

Kohei Maruoka
Managing Director
DIN: 10341982

Place : Chennai
Date : 22 May 2025

White Data Systems India Private Limited

FY 2024-25

INDEPENDENT AUDITOR'S REPORT

To the Members of White Data Systems India Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of White Data Systems India Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us , the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025;

(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 does not have any pending litigations which would impact its financial position.

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, as disclosed in the note 36(h) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 36(h) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer Note 37 to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sriguruprasad N
Partner
Membership Number: 225419
UDIN: 25225419BNQJVO4675
Place of Signature: Chennai
Date: May 26, 2025

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: White Data Systems India Private 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) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

(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 Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a)(b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) 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 incurred cash losses in the current year amounting to Rs 179.83 lakhs. The Company has incurred cash losses in the immediately preceding financial year amounting to Rs. 403.18 lakhs.

(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 36 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by Rs.153.76 lakhs, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe 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, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sriguruprasad N
Partner
Membership Number: 225419
UDIN: 25225419BNQJVO4675
Place of Signature: Chennai
Date: May 26, 2025

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF WHITE DATA SYSTEMS INDIA PRIVATE 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 financial statements of White Data Systems India Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, 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 Sriguruprasad N
Partner
Membership Number: 225419
UDIN: 25225419BNQJVO4675
Place of Signature: Chennai
Date: May 26, 2025

White Data Systems India Private Limited
Balance Sheet as at March 31, 2025
(All amounts in Indian Rupees lakhs, unless otherwise stated)

	Note No	As at March 31,2025	As at March 31,2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	7.23	11.94
Intangible assets	4	1,327.17	1,871.50
Right-of-use asset	28	98.26	21.09
Financial assets:			
Deposits and other receivables	5	16.20	16.06
Deferred tax assets	13	248.72	230.99
Non-current tax assets	6	39.44	45.13
Other non-current assets			
		1,737.02	**2,196.72**
Current assets			
Financial assets			
(a) Trade receivables	7	160.14	278.33
(b) Cash and cash equivalents	8	153.76	16.14
(c) Other financial assets	5	42.07	41.94
(d) Deposits and other receivables			
Other current assets	9	65.64	45.31
		421.61	**381.72**
Total assets		**2,158.63**	**2,578.44**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	413.30	413.30
Other equity	11	1,080.32	1,690.40
Total equity		**1,493.62**	**2,103.70**
Non-current liabilities			
Long term provisions	12	38.66	32.90
Lease liability	28	52.48	3.04
		91.14	**35.94**
Current Liabilities			
Financial liabilities			
(a) Lease liability	28	42.01	17.95
(b) Trade payables	14		
- Total outstanding dues of micro enterprises and small enterprises		0.18	0.90
- Total outstanding dues of creditors other than micro enterprises and small enterprises		494.10	375.24
Other financial liabilities	16	3.08	11.27
Short term provisions	15	20.26	20.35
Other Current liablity	17	14.24	13.08
		573.87	**438.80**
Total liabilities		**665.01**	**474.74**
Total equity and liabilities		**2,158.63**	**2,578.44**

Summary of significant accounting policies
The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Regn. No: 101049W/E300004

Srigurupprasad N
Partner
Membership No: 225419

Place: Chennai
Date :May 26, 2025

On behalf of the board

For White Data Systems India Private Limited

Ravi Viswanathan
Director
DIN : 08713910
Place: Chennai
Date :May 26, 2025

Dinesh Narayan
Director
DIN : 10478249
Place: Chennai
Date :May 26, 2025

White Data Systems India Private Limited
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts in Indian Rupees lakhs, unless otherwise stated)

	Note No	March 31, 2025	March 31, 2024
Revenue			
Revenue from contracts with customers	18	602.73	545.82
Other income	19	121.32	27.54
Total income		**724.05**	**573.35**
Expenses		`	
Employee benefits expense	20	417.18	627.35
Depreciation and amortisation expense	21	593.44	587.85
Gain on exchange rate fluctuation		(8.50)	(5.05)
Finance costs	22	7.73	3.26
Other expenses	23	335.14	400.91
Total expenses		**1,344.99**	**1,614.32**
Profit/(Loss) before tax		(620.94)	(1,040.97)
Income tax expense			
- Deferred tax	24	(17.73)	(340.85)
Profit/(Loss) for the year (I)		**(603.21)**	**(700.12)**
Other Comprehensive Income:			
Other Comprehensive Income not to be reclassified to Statement of Profit and Loss in subsequent periods:			
Re-measurement loss on defined benefit obligations			
Other Comprehensive Gain/(Loss) for the year	25	(6.87)	13.33
Income tax relating to items that will not be reclassified to profit or loss		-	(3.47)
Other Comprehensive Profit/(Loss) for the year (II)		**(6.87)**	**9.86**
Total Comprehensive Income for the Year, Net of Tax (I + II)		**(610.08)**	**(690.25)**
Earnings Per Equity Share of Rs. 100 each (Previous year - Rs. 100 each)			
Basic	26	(14.60)	(16.94)
Diluted	26	(14.60)	(16.94)

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date attached
For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Regn. No: 101049W/E300004

On behalf of the board
For White Data Systems India Private Limited

Sriguruprasad N
Partner
Membership No: 225419

Place: Chennai
Date :May 26, 2025

Ravi Viswanathan
Director
DIN : 08713910

Place: Chennai
Date :May 26, 2025

Dinesh Narayan
Director
DIN : 10478249

Place: Chennai
Date :May 26, 2025

White Data Systems India Private Limited
Cash flow statements for the year ended March 31, 2025
(All amounts in Indian Rupees lakhs, unless otherwise stated)

		Year ended March 31,2025	Year ended March 31,2024
A.	**Cash Flow from Operating Activities**		
	Profit/(Loss) before tax	(620.94)	(1,040.97)
	Adjustments to reconcile loss before tax to net cash flows:		
	Depreciation and amortisation expense	593.44	587.85
	Provision for bad and doubtful debts no longer required, written back	(96.56)	51.73
	Interest Income	(0.26)	(6.15)
	Finance costs	7.73	3.26
	Profit / loss on sale of property plant and equipment	(0.14)	0.17
	Foreign exchange loss / (Gain)	(8.50)	5.05
	Interest on Security deposit	(3.40)	-
	Gain on termination of lease contract	(2.01)	-
		(130.65)	**(399.06)**
	Working capital adjustments:		
	Increase / (decrease) in provisions	5.66	(22.98)
	Increase / (decrease) in other financial and non financial liabilities	(15.06)	3.95
	Increase / (decrease) in trade and other payables	219.95	131.27
	(Increase) / decrease in other financial and non financial assets	(20.46)	(45.32)
	(Increase) / decrease in deposits & other receivables	3.25	-
	(Increase) / decrease in trade and other receivables	118.19	86.96
		180.89	**(245.19)**
	Refund received	5.69	42.93
	Net cash flow from / (used) in operating activities	**186.58**	**(202.26)**
B.	**Cash Flow from / (used in) Investing Activities**		
	Capital expenditure (Including intangibles under development)	(0.10)	(1.07)
	Proceeds from sale of property plant and equipment	0.46	-
	Short term loan repaid	-	190.00
	Interest Income received	0.26	6.15
	Net cash flows from/(used) in investing activities	**0.62**	**195.08**
C.	**Cash Flow from / (used in) Financing Activities:**		
	Finance costs paid	-	(3.26)
	Lease payments	(49.59)	
	Net cash from / (used) in financing activities	**(49.59)**	**(3.26)**
	Net (Decrease)/Increase in Cash and Cash Equivalents [A + B + C]	137.63	(10.44)
	Cash and Cash Equivalents at the beginning of year	16.14	26.57
	Cash and Cash Equivalents as at year end (Refer Note 8)	**153.76**	**16.14**

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants
ICAI Firm Regn. No: 101049W/E300004

On behalf of the board

For White Data Systems India Private Limited

Sriguruprasad N
Partner
Membership No: 225419

Place: Chennai
Date :May 26, 2025

Ravi Viswanathan
Director
DIN : 08713910

Place: Chennai
Date :May 26, 2025

Dinesh Narayan
Director
DIN : 10478249

Place: Chennai
Date :May 26, 2025

White Data Systems India Private Limited
Statement of Changes in Equity for the year ended March 31, 2025
(All amounts in Indian Rupees lakhs, unless otherwise stated)

a. Equity Share Capital	**As at March 31,2025**	**As at March 31,2024**
As at beginning of the year		
Equity shares of Rs.10 each issued, subscribed and fully paid		
Issue of share capital	413.30	413.30
	-	-
As at end of the year	413.30	413.30

Details of shareholders holding more than 5% shares in the company

	As at March 31,2025		**As at March 31,2024**	
Equity shares	**No.of Shares (In lakhs)**	**% holding**	**No.of Shares (In lakhs)**	**% holding**
TVS Supply Chain Solutions Limited	41.33	100%	41.33	100%

b. Other Equity

March 31, 2025

	Reserves & Surplus		**OCI**	
Particulars	**Retained Earnings**	**Securities premium**	**FVTOCI Reserve**	**Total Other Equity**
As at March 31,2024	**(3,079.76)**	**4,756.56**	**13.60**	**1,690.41**
Profit / (loss) for the year	(603.21)	-		(603.21)
Other Comprehensive Income for the year		-	(6.87)	(6.87)
				-
As at March 31,2025	**(3,682.97)**	**4,756.56**	**6.73**	**1,080.33**

March 31, 2024

	Reserves & Surplus		**OCI**	
Particulars	**Retained Earnings**	**Securities premium**	**FVTOCI Reserve**	**Total Other Equity**
As at March 31, 2023	**(2,379.64)**	**4,756.56**	**3.74**	**2,380.66**
Profit / (loss) for the year	(700.12)	-	-	(700.12)
Other Comprehensive Income for the year		-	9.86	9.86
				-
As at March 31,2024	**(3,079.76)**	**4,756.56**	**13.60**	**1,690.41**

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date attached
For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Regn. No: 101049W/E300004

On behalf of the board
For White Data Systems India Private Limited

Sriguruprasad N
Partner
Membership No: 225419

Place: Chennai
Date :May 26, 2025

Ravi Viswanathan
Director
DIN : 08713910

Place: Chennai
Date :May 26, 2025

Dinesh Narayan
Director
DIN : 10478249

Place: Chennai
Date :May 26, 2025

White Data Systems India Private Limited
Notes to Financial Statements for the year ended March 31, 2025
(All amounts in Indian Rupees lakhs, unless otherwise stated)

1 Reporting entity

White Data Systems India Private Limited ('the Company') was incorporated on April 7, 2015 under the Companies Act, 2013. It is in the businesss of freight data solutions encompassing technology, certification and customised solution offering.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the requirements prescribed under Section 133 of Companies Act, 2013, (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements were authorised for issue by the Company's Board of Directors on May 26, 2025

Details of the Company's accounting policies are included in Note 2.6.

2.2 Going concern related matters

The Company has reported a loss of Rs. 620.94 lakhs in the period ended March 31,2025 and the Company has net current liability position and cash & cash equivalents of Rs 153.76 lakhs and Rs. 152.26 lakhs respectively. The losses are attributable to continued enhancement of software products include bug fixing, performance improvements, the creation of new features, and ongoing efforts to upgrade and refine existing versions of the applications. The Company has prepared cash flow projections for the next 12 months, which is dependent on establishing profitable operations and obtaining continuing financial support from its shareholders. TVS Supply Chain Solutions Limited, the holding company, has committed to provide financial support to enable the Company to repay its liabilities as and when they fall due for a period of at least 12 months from the date of approval of the Company's financial statements. Accordingly, these financial statements have been prepared on the basis that Company will continue as a going concern.

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been presented in Indian Rupees, unless otherwise indicated.

2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations

2.5 Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.Current and non-current classification are in line with the requirements of Schedule III to the Companies Act, 2013.In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a. Useful life and impairment of property, plant and equipment / Intangibles

Useful Life: Determination of useful life of property, plant and equipment / Intangibles involves significant judgement and the Company periodically assesses the same based on inputs from internal experts. Management considers physical life of the assets as indiciative of the economic useful life. Further details on useful life are disclosed in significant of accounting policies.

Impairment: Determination of existence of Impairment indicators involves significant judgement by the Management including ascertainment of the future net cash inflows of the relevant assets which may result in Impairment.

b. Employee benefits

The cost of the defined benefit gratuity plan and other post-employment leave encashment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about defined benefit obligations are given in Note 27

c. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, Credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 33 for further disclosures.

2.5 Significant accounting judgements, estimates and assumptions (Continued)

d. Company as a lessee:

As per Ind AS 116, termination options are to be considered in determining the non-cancellable period. The period covered by the termination option is included if the lessee is not reasonably certain to exercise the option. Lease term is the non-cancellable period of a lease, together with any optional periods that the lessee is reasonably certain to use. The non-cancellable period of a lease is any period during which the lessee cannot terminate the contract. Consequently, any non-cancellable period in effect sets a minimum lease term. This is usually referred as “lock-in” period in the lease contract. Generally, the lease contracts are cancellable once the “lock-in” period is over, and, in most cases, the termination option is mutually available with minimum notice period requirements under the contract.

As reasonable certainty is a high threshold, the Company believes in most leases where the lease term is greater than 3 years assuming reasonable certainty on lease commencement date may not be appropriate and must be evaluated on a case to case basis, considering factors such as investment in the property, renewal lease rates, specific modifications to property to meet customer requirements, importance of the location and impact on overall business disruption etc.

2.6 Significant accounting polices

a. Current vs non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
-Expected to be realised or intended to be sold or consumed in normal operating cycle Held primarily for the purpose of trading
-Expected to be realised within twelve months after the reporting period, or Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

A liability is current when:
-It is expected to be settled in normal operating cycle
-It is held primarily for the purpose of trading
-It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability
The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

c. Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit and loss.

2.6 Significant accounting polices(continued)

B Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

C Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties, if any and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

2.6 Significant accounting polices(continued)

C Property, plant and equipment(continued)

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases, if any, are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Computers	3
Furniture and fixtures	5
Office equipment	5
Vehicles	8
Computer equipment	3

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from those prescribed in Schedule II of the Act.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

D Intangible assets

i. Recognition and measurement

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit and loss as and when incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Computer software	3
Other internally developed softwares	5

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

iv. Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually

2.6 Significant accounting polices(continued)

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 at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held)

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the

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.

2.6 Significant accounting polices(continued)

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 cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme, Employees State Insurance Scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

G Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liability is disclosed for all:

- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)

- present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Company discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

2.6 Significant accounting polices(continued)

H Revenue

Revenue from contracts with customers is recognised over time as the performance obligation is satisfied over time.. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.
Interest income on fixed deposits is recognised on accrual basis.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets under Financial instruments - initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

I Leases

i. Determining whether an arrangement contains a lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i)Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

•Building	3 years
•Furniture & fixtures	3 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The right-of-use assets are also subject to impairment. Refer to the accounting policies on impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.
In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

i) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

ii. Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's balance sheet.

iii. Lease payments

Payments made under operating leases are generally recognised in statement of profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.
Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2.6 Significant accounting polices(continued)

J Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

K Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Uncertainty over Income Tax Treatment

Tax treatment of an item is considered as uncertain when there is uncertainty whether the relevant taxation authority will accept the tax treatment of that item or not.

If there is uncertainty over tax treatment of an item:

1. An entity should determine an approach or method that predicts the resolution of the uncertainty. Based on the approach, the entity shall determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments.
2. It shall assess whether it is probable that the taxation authority will accept the uncertain tax treatment, assuming that the authority has full right to examine the treatment and has full knowledge of all related information.
3. If it is probable that the taxation authority will accept the tax treatment, there will be no impact on the amount of taxable profits/losses, tax bases, unused tax losses/credits and tax rates. In viceversa case, the entity shall show the effect of the uncertainty for each uncertain tax treatment on amount of related aforesaid items by using either the most likely outcome or the expected outcome of the uncertainty.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets - unrecognised or recognised are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.6 Significant accounting polices(continued)

L Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

M Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an

N Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of

O Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors assesses the financial performance and position of the Company, and makes strategic decisions and has been identified as being the chief operating decision maker.

P Earnings per share

Basic earning per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Q Changes in accounting standards and disclosures

New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Ind AS 117 Insurance Contracts

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

• A specific adaptation for contracts with direct participation features (the variable fee approach)
• A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 does not have material impact on the Company's separate financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

(ii) Amendments to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments do not have a material impact on the Company's financial statements.

R Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2025 to amend the following Ind AS which are effective from 01 April 2025.

(i) There are no standards that are notified and not yet effective as on the date.

2.7 Scheme of arrangement

The Board of directors, at their meeting held on 2nd February 2024, have granted their consent and approval for the scheme of Amalgamation between various subsidiaries of TVS Supply Chain Solutions Limited, including Flexol Packaging (India) Limited, with and into M/S TVS Supply Chain Solutions Limited.

This Scheme is subject to necessary approvals / consents / sanctions and permissions of the shareholders and/ or creditors of the Company, sanction of the jurisdictional Hon'ble National Company Law Tribunal (the "Hon'ble Tribunal") constituted under the provisions of the Act / such other competent authority / any other appropriate authority under the applicable provisions of the Act and such other approvals / permissions as may be required under applicable laws, regulations, and guidelines issued by the regulatory authorities.

Application has been filed with National Company Law Tribunal, Chennai on 31st March 2025 for merger of the Company with TVS Supply Chain Solutions Limited, the Holding Company, under the scheme of amalgamation.

White Data Systems India Private Limited
Notes to Financial Statements for the year ended March 31, 2025
(All amounts in Indian Rupees lakhs, unless otherwise stated)

3 Property, Plant and Equipment

Particulars	Plant & Machinery	Electrical installations	Furniture & Fixtures	Office Equipments	Computers	Total
Gross Block						
As at April 1, 2023	**30.92**	**5.35**	**6.16**	**15.42**	**81.02**	**138.87**
Additions	-	-	-	0.01	-	0.01
Deletions	-	-	-	-	(0.68)	(0.68)
As at March 31, 2024	**30.92**	**5.35**	**6.16**	**15.43**	**80.34**	**138.20**
Additions	**-**	**-**		**0.10**	**-**	**0.10**
Deletions	-	(1.35)	(1.26)	(1.38)	(2.05)	(6.04)
As at March 31,2025	**30.92**	**4.00**	**4.90**	**14.15**	**78.29**	**132.26**
Accumulated Depreciation						
As at April 1, 2023	**30.40**	**4.85**	**5.82**	**9.96**	**65.31**	**116.33**
Depreciation for the year	-	0.27	0.07	1.87	8.22	10.43
Deletions	-	-	-	-	(0.51)	(0.51)
As at March 31, 2024	**30.40**	**5.12**	**5.89**	**11.83**	**73.02**	**126.25**
Depreciation for the year	**-**	-	0.00	1.34	3.16	4.50
Deletions	-	(1.29)	(1.19)	(1.29)	(1.95)	(5.72)
As at March 31,2025	**30.40**	**3.84**	**4.69**	**11.88**	**74.23**	**125.03**
Net Block						
As at March 31, 2024	**0.52**	**0.23**	**0.28**	**3.60**	**7.32**	**11.94**
As at March 31,2025	**0.52**	**0.17**	**0.21**	**2.27**	**4.06**	**7.23**

White Data Systems India Private Limited
Notes to Financial Statements for the year ended March 31, 2025
(All amounts in Indian Rupees lakhs, unless otherwise stated)

4 Intangible Assets

Particulars	Computer Software
Cost	
As at April 1, 2023	**3,132.95**
Additions	-
Deletions	-
As at March 31,2024	**3,132.95**
Amortisation and impairment	
As at April 1, 2023	**715.63**
Amortisation	545.82
Deletions	-
As at March 31,2024	**1,261.45**
Amortisation	544.33
Deletions	-
As at March 31,2025	**1,805.78**
Net book value	
As at March 31,2024	**1,871.50**
As at March 31,2025	**1,327.17**

5 Financial assets

Particulars	As at March 31,2025	As at March 31,2024
Deposits and other receivables- Non current		
Security deposits at fair value	16.20	16.06
Balance at the end of the year	**16.20**	**16.06**
Other financial assets-Current		
Advances to employees	4.62	0.70
Unbilled revenue	37.45	41.24
	42.07	**41.94**

6 Other non-current tax assets

Particulars	As at March 31,2025	As at March 31,2024
Advance tax(Net of Provision for taxes)	39.44	45.13
	39.44	**45.13**

7 Trade Receivables

Particulars	As at March 31,2025	As at March 31,2024
Trade receivables	5.15	1.69
Receivables from related parties	154.99	276.64
	160.14	**278.33**
Trade receivables		
Unsecured, considered good	160.14	278.33
Unsecured, credit impaired	33.94	104.56
Total trade receivables	**194.08**	**382.89**
Impairment allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Unsecured, credit impaired	(33.94)	(104.56)
Net Trade Receivables	**160.14**	**278.33**

As at March 31,2025

Particulars	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good							
External	-	4.72		0.43	-	-	**5.15**
Related parties	3.81	151.18	-	-	-		**154.99**
Unsecured, credit impaired							
External		-	-	-	-	33.94	**33.94**
Related parties							
	3.81	**155.90**	**-**	**0.43**	**-**	**33.94**	**194.08**

Unbilled receivable

Particulars	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
External	2.00	-	-	-	-	-	2.00
Related parties	-	15.47	19.99	-	-	-	35.46
	2.00	**15.47**	**19.99**	**-**	**-**	**-**	**37.46**

As at March 31,2024

Particulars	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good							
External	-	1.69	-	-	-	-	**1.69**
Related parties	-	255.35	21.28	-	-	-	**276.64**
Unsecured, credit impaired							
External	-	-	-	-	5.39	99.17	**104.56**
	-	**257.05**	**21.28**	**-**	**5.39**	**99.17**	**382.89**

Unbilled receivable

Particulars	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
External	1.24		-	-	-	-	1.24
Related parties	-	40.00	-	-	-	-	40.00
	1.24	**40.00**	**-**	**-**	**-**	**-**	**41.24**

8 Cash and Cash Equivalents

Particulars	As at March 31,2025	As at March 31,2024
Balance with banks		
- in Current account	83.70	16.14
- Deposits with original maturity less than 3 months	70.06	-
	153.76	16.14
Cash and Cash Equivalents as per Cash Flow Statement	**153.76**	**16.14**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

9 Other current assets

Particulars	As at March 31,2025	As at March 31,2024
Prepaid expenses	15.62	3.12
Advance to vendors	0.57	3.97
Balances with government authorities	49.45	38.22
	65.64	**45.31**

10 Equity Share Capital

Particulars	As at March 31,2025	As at March 31,2024
Authorised Share Capital		
42,00,000 Equity Shares of Rs.10 each	420.00	420.00
Issued, Subscribed and Paid-up Capital		
41,32,961 Equity Shares of Rs.10 each	413.30	413.30
	413.30	**413.30**

a) The Reconciliation of shares capital is given below:

Particulars	As at March 31,2025		As at March 31,2024	
	No. of Shares (In lakhs)	Rs.	No. of Shares (In lakhs)	Rs.
At the beginning of the year	41.33	413.30	41.33	413.30
Shares issued during the year	-	-	-	-
At the end of the year	**41.33**	**413.30**	**41.33**	**413.30**

b) Terms / rights attached to each class of shares

The Company has only one class of shares referred to as Equity Shares having a par value of Rs.10 each. The holders of Equity Shares are entitled to one vote per share. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. Repayment of capital will be in proportion to the number of equity shares held by the shareholders.

c) Details of Shareholders holding more than 5% of Equity Shares of the Company (Refer note below)

Particulars	As at March 31,2025		As at March 31,2024	
	No. of Shares (In lakhs)	% of the total	No. of Shares (In lakhs)	% of the total
TVS Supply Chain Solutions Limited	41.33	100.00%	41.33	100.00%
	41.33	**100.00%**	**41.33**	**100.00%**

11 Other equity

Particulars	As at March 31,2025	As at March 31,2024
Retained earnings	(3,676.24)	(3,066.16)
Securities premium	4,756.56	4,756.56
	1,080.32	**1,690.40**

Particulars	As at March 31,2025	As at March 31,2024
As at beginning of the year	**(3,066.16)**	**(2,375.91)**
Profit / (Loss) for the year	(603.21)	(700.12)
Other Comprehensive Income for the year	(6.87)	9.86
As at end of the year	**(3,676.24)**	**(3,066.16)**

b. Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Particulars	As at March 31,2025	As at March 31,2024
At the beginning of the year	4,756.56	4,756.56
Transactions during the year	-	-
At the end of the year	**4,756.56**	**4,756.56**

12 Long term provision

Particulars	As at March 31,2025	As at March 31,2024
Provision for compensated absences	14.89	21.03
Provision for gratuity	23.77	11.86
	38.66	**32.90**

13 Deferred tax liabilities

	Balance Sheet	
Nature - (Liability) / Asset	**As at March 31,2025**	**As at March 31,2024**
Deferred tax liabilities		
Difference between depreciation as per books of accounts and the Income Tax Act, 1961	52.57	67.75
Total (A)	**52.57**	**67.75**
Deferred tax assets		
Provision for employee benefits	15.66	13.85
Lease Liability	24.57	5.46
Provision for doubtful debts	8.83	27.18
Losses carried forward (Refer note 2.7)	255.72	255.72
Total (B)	**304.77**	**302.21**
Net deferred tax (liabilities)/assets (B-A)	**252.20**	**234.46**

	Statement of Profit and Loss	
Nature - (Liability) / Asset	**As at March 31,2025**	**As at March 31,2024**
Deferred tax liabilities		
Difference between depreciation as per books of accounts and the Income Tax Act, 1961	(15.18)	(66.30)
Total (A)	**(15.18)**	**(66.30)**
Deferred tax assets		
Provision for employee benefits	(1.81)	5.33
Lease Liability	(19.11)	(5.46)
Provision for doubtful debts	18.36	(18.70)
Carry forward losses	-	(255.72)
Total (B)	**(2.57)**	**(274.55)**
Deferred tax expenses/(income) (A+B)	**(17.75)**	**(340.85)**

Reconciliation of deferred tax assets/(liabilities) (net)

Particulars	As at March 31,2025	As at March 31,2024
Opening balance	230.99	(106.39)
Tax (income)/expense during the period recognised in profit and loss	(17.73)	(340.85)
Tax (income)/expense during the period recognised in other comprehensive income	-	(3.47)
Closing balance	**248.72**	**230.99**

14 Trade payables

Particulars	As at March 31,2025	As at March 31,2024
Trade Payables (refer note below)		
- Dues to Micro and Small enterprises (Refer Note 34)	0.18	0.90
- Payables to related parties	471.07	193.45
- Others	23.03	181.78
	494.28	**376.14**

Terms and conditions of the above financial liabilities:
Trade payables are non interest bearing and are normally settled within a period of 90 to 180 days.

As at March 31,2025

Particulars	Not due	< 1 Year	1 to 2 years	2 to 3 years	More than 3 Years	Total
Undisputed dues - Micro and Small enterprises	-	0.18	-	-	-	0.18
Undisputed dues - Others	0.02	0.05	17.84	-	5.11	23.03
Related parties	-	72.59	374.79	-	23.69	471.07
Total	**0.02**	**72.82**	**392.63**	**-**	**28.80**	**494.28**

As at March 31,2024

Particulars	Not due	< 1 Year	1 to 2 years	2 to 3 years	More than 3 Years	Total
Undisputed dues - Micro and Small enterprises	0.03	-	-	0.87	-	0.90
Undisputed dues - Others	0.02	83.97	-	97.79	-	181.78
Related parties	-	134.71	58.74	-	-	193.45
Total	**0.04**	**218.68**	**58.74**	**98.67**	**-**	**376.14**

15 Short term provisions

Particulars	As at March 31,2025	As at March 31,2024
Provision for compensated absences	5.53	7.81
Provision for gratuity	14.73	12.55
	20.26	**20.35**

16 Other financial liabilities

Particulars	As at March 31,2025	As at March 31,2024
Amount due to employees	3.07	11.27
	3.08	**11.27**

17 Other current liablity

Particulars	As at March 31,2025	As at March 31,2024
Statutory liabilities	14.24	13.08
	14.24	**13.08**

Categories of financial instruments

Financial Assets

Particulars	As at March 31,2025	As at March 31,2024
Financial Assets - Non Current		
At Amortised Cost		
Other financial assets (refer note 5)	16.20	16.06
Total Non Current Financial Assets (A)	**16.20**	**16.06**
Financial Assets - Current		
At Amortised Cost		
(a) Trade receivables (refer note 7)	194.08	382.89
(b) Cash and cash equivalents (refer note 8)	153.76	16.14
(c) Other financial assets (refer note 5)	42.07	41.94
Total Current Financial Assets (B)	**389.91**	**440.96**
Total (A + B)	**406.11**	**457.02**

Financial Liabilities

Particulars	As at March 31,2025	As at March 31,2024
Financial Liabilites - Non Current		
Lease liability	52.48	3.04
Total Non Current Financial Liabilities (A)	**52.48**	**3.04**
Financial Liabilities - Current		
At Amortised Cost		
(a) Trade payables (refer note 14)	494.28	376.14
(b) Lease liability (refer note 27)	42.01	17.95
Total Current Financial Liabilities (B)	**536.29**	**394.09**
Total (A + B)	**588.77**	**397.13**

18 Revenue from contracts with customers

Particulars	March 31, 2025	March 31, 2024
Consulting income	602.73	545.82
Revenue from operations	**602.73**	**545.82**

18 Revenue from contracts with customer

18.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	March 31, 2025	March 31, 2024
Consulting income	602.73	545.82
Total revenue from contracts with customers	**602.73**	**545.82**
India	331.92	269.99
Outside India	270.81	275.83
Total revenue from contracts with customers	**602.73**	**545.82**
Timing of revenue recognition		
Services transferred over time	602.73	545.82
Total revenue from contracts with customers	**602.73**	**545.82**

18.2 Contract balances

	March 31, 2025	March 31, 2024
Trade receivables (refer note 7)	194.08	382.89
Contract assets (refer note 5)	37.45	41.24
	231.53	**424.13**

18.3 Performance obligations

The performance obligation is satisfied over-time and payment is generally due upon completion of services.

19 Other income

Particulars	March 31, 2025	March 31, 2024
Interest on fixed deposits with banks	0.06	0.19
Interest Income on income tax refund	0.20	1.46
Interest income on security deposit	3.40	-
Provisions for bad debts no longer required, written back	96.56	18.89
Interest on intercompany loan	-	4.51
Gain on sale of asset	0.14	-
Gain on termination of lease contract	2.01	-
Contract and Cross charges	18.95	2.49
	121.32	**27.54**

20 Employee benefit expenses

Particulars	March 31, 2025	March 31, 2024
Salaries, wages and bonus	376.94	571.06
Contribution to provident and other funds	26.45	36.89
Gratuity expenses (Refer Note 27)	8.27	9.23
Retrenchment cost	-	0.72
Staff welfare expenses	5.52	9.46
	417.18	**627.35**

21 Depreciation and amortization expense

Particulars	March 31, 2025	March 31, 2024
Depreciation on Property, Plant and Equipment (Refer Note 3)	4.50	10.43
Depreciation on intangible assets (Refer Note 4A)	544.33	545.82
Amortisation of Right-of-use asset	44.61	31.60
	593.44	**587.85**

22 Finance Cost

Particulars	March 31, 2025	March 31, 2024
Interest on lease liabilities	7.73	3.26
	7.73	**3.26**

23 Other expenses

Particulars	March 31, 2025	March 31, 2024
Legal and professional charges	44.02	24.77
Contract labour charges	12.73	8.67
Electricity charges	4.30	8.18
Rent	2.55	2.66
Repairs and maintenance - building	1.39	3.33
Communication expenses	1.25	2.19
Information technology expenses	216.47	250.35
Insurance	2.63	4.04
Rates and taxes	0.47	0.47
Bad debts written off	-	70.62
Bank charges	0.17	1.33
Travelling and conveyance	15.44	8.96
Printing, stationery and communication	0.44	0.50
Auditor's remuneration (refer note A below)	3.15	3.00
Miscellaneous expenses	30.15	11.84
	335.14	**400.91**

Note:
A) Auditors remuneration

Particulars	March 31, 2025	March 31, 2024
As Auditor:		
Statutory audit fee	3.15	3.00
	3.15	**3.00**

24 Income Tax

The major components of income tax expense for the period ended March 31, 2025 and March 31, 2024 are:

Particulars	March 31, 2025	March 31, 2024
Deferred tax		
Relating to origination and reversal of temporary differences	(17.73)	(340.85)
Income tax expense reported in the statement of profit or loss	**(17.73)**	**(340.85)**

25 Other comprehensive income (OCI) Section

	March 31, 2025	March 31, 2024
Net gain /(loss) on remeasurements of defined benefit plans	(6.87)	13.33
Net gain /(loss) on remeasurements of defined benefit plans (net of taxes)	**(6.87)**	**13.33**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

26 Earnings per Share

Particulars	March 31, 2025	March 31, 2024
Profit/(Loss) after tax	(603.21)	(700.12)
Weighted average number of Shares		
- Basic	41.33	41.33
- Diluted	41.33	41.33
Earning Per Share of Rs.100 each (Previous year Rs.100 each)		
- Basic	(14.60)	(16.94)
- Diluted	(14.60)	(16.94)

27 Employee benefit expenses

Defined Contribution Plan

Defined contribution plan are post employnment benefit plans under which an entity pays a fixed contribution to a seperate entity(a fund) and will have no legal or constructive obligation to pay further contribution. 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 ₹ 26.45 lakhs (31 March 2024: ₹ 36.89 lakhs)

Defined Benefit Plan

a. Gratuity

Defined benefit obligation(DBO) means post employnment benefit plan other than defined contribution plan.Under the Gratuity plan operated by the Company, every employee who has completed at least five years of service gets a Gratuity on departure at 15 days on last drawn salary for each completed year of service as per Payment of Gratuity Act, 1972. The scheme is funded with an Insurance Company in the form of qualifying insurance policy. The following table summarizes the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the Balance Sheet.

	Particulars	March 31, 2025	March 31, 2024
A.	**Change in defined benefit obligation**		
1	Defined benefit obligation at beginning of year	36.90	51.82
2	Service cost		
	a. Current service cost	6.70	7.21
3	Interest expenses	2.06	3.28
4	Cash flows		
	a. Benefit payments from plan	(10.67)	(12.29)
5	Remeasurements		
	a. Actuarial (gains) / losses	6.87	(13.11)
	b. Effect of experience adjustments	-	-
6	**Defined benefit obligation at end of year**	**41.86**	**36.90**

	Particulars	March 31, 2025	March 31, 2024
B.	**Change in fair value of plan assets**		
1	Fair value of plan assets at beginning of period	12.50	23.65
2	Difference in Opening Value	-	-
3	Interest income	0.50	1.26
4	Cash flows	-	-
	Total employer contributions	1.05	-
	Benefit payments from plan assets	(10.67)	(12.29)
5	Remeasurements	-	-
	Return on plan assets (excluding interest income)	-	(0.12)
6	**Fair value of plan assets at end of year**	**3.38**	**12.50**

	Particulars	March 31, 2025	March 31, 2024
C.	**Amounts recognized in the Balance Sheet**		
1.	Defined benefit obligation	41.86	36.90
2.	Fair value of plan assets	(3.38)	(12.50)
3.	Funded status	38.48	24.41
4.	**Net defined benefit liability (asset)**	**38.48**	**24.41**

	Particulars	March 31, 2025	March 31, 2024
D.	**Components of defined benefit cost**		
1.	Service cost		
	a. Current service cost	**6.70**	**7.21**
2.	Net interest cost		
	a. Interest expense on DBO	2.06	3.28
	b. Less - Interest (income) on plan assets	(0.50)	(1.26)
	c. Total net interest cost	**1.56**	**2.02**
3.	Remeasurements (recognized in OCI)		
	a. Actuarial (gains)/losses from on DBO	6.87	(13.11)
	b. Less - (Return) on plan assets (excluding interest income)	-	0.12
	c. Total remeasurements included in OCI	**6.87**	(12.99)
4.	**Total defined benefit cost recognized in P&L and OCI**	**15.13**	**(3.76)**

27 Employee benefit expenses(continued)

	Particulars	March 31, 2025	March 31, 2024
E.	**Re-measurement**		
	a. Actuarial Loss/(Gain) on DBO	6.87	(12.99)
	b. Less - Returns above Interest Income		-
	Total Re-measurements (OCI)	**6.87**	**-12.99**

	Particulars	March 31, 2025	March 31, 2024
F.	**Employer Expense (P&L)**		
	a. Current Service Cost	6.70	7.21
	b. Interest Cost on net DBO	1.56	2.02
	c. Total P&L Expenses	**8.27**	**9.23**

	Particulars	March 31, 2025	March 31, 2024
G.	**Net defined benefit liability (asset) reconciliation**		
1.	Net defined benefit liability (asset)	24.41	28.17
2.	Defined benefit cost included in P&L	8.27	9.23
3.	Total remeasurements included in OCI	6.87	(12.99)
4.	Employer contributions	(1.05)	-
5.	Net defined benefit liability (asset) as of end of period	**38.50**	**24.41**

	Particulars	March 31, 2025	March 31, 2024
H.	**Reconciliation of OCI (Re-measurment)**		
1.	Recognised in OCI during the period	6.87	(12.99)
2.	Recognised in OCI at the end of the period	**6.87**	**(12.99)**

	Particulars	March 31, 2025	March 31, 2024
		% change in DBO	
I.	**Sensitivity analysis - DBO end of Period**		
1	Discount rate +100 basis points	-5.56%	-5.62%
2	Discount rate -100 basis points	6.23%	6.30%
3	Salary Increase Rate +1%	5.61%	5.70%
4	Salary Increase Rate -1%	-5.09%	-5.16%
5	Attrition Rate +1%	-0.79%	-0.95%
6	Attrition Rate -1%	0.85%	1.00%
7	Mortality rate - 10%	-0.03%	-0.02%

	Particulars	March 31, 2025	
1	**Assumptions**	**Discount rate**	
	Sensitivity Level	+100 basis points	-100 basis points
		INR	INR
	Impact on defined benefit obligation	(2.33)	2.61
2	**Assumptions**	**Salary increase rate**	
	Sensitivity Level	+100 basis points	-100 basis points
		INR	INR
	Impact on defined benefit obligation	2.35	(2.13)
3	**Assumptions**	**Attrition rate**	
	Sensitivity Level	+100 basis points	-100 basis points
		INR	INR
	Impact on defined benefit obligation	(0.33)	0.36
4	**Assumptions**	**Mortality rate**	
	Sensitivity Level	-0.02%	
		INR	
	Impact on defined benefit obligation	(0.01)	

White Data Systems India Private Limited
Notes to Financial Statements for the year ended March 31, 2025
(All amounts in Indian Rupees lakhs, unless otherwise stated)

27 Employee benefit expenses(continued)

	Particulars	March 31, 2024	
1	**Assumptions**	**Discount rate**	
	Sensitivity Level	+100 basis points	-100 basis points
		INR	INR
	Impact on defined benefit obligation	(5.62)	6.30
2	**Assumptions**	**Salary increase rate**	
	Sensitivity Level	+1%	-1%
		INR	INR
	Impact on defined benefit obligation	5.70	(5.16)
3	**Assumptions**	**Attrition rate**	
	Sensitivity Level	+1%	-1%
		INR	INR
	Impact on defined benefit obligation	(0.95)	1.00
4	**Assumptions**	**Mortality rate**	
	Sensitivity Level	-0.02%	
		INR	
	Impact on defined benefit obligation	-0.01	

	Particulars	March 31, 2025	March 31, 2024
J.	**Significant actuarial assumptions**		
1.	Discount rate Current Year	7.17%	7.10%
2	Salary increase rate	Uniform 8.0%	Uniform 8.0%
3	Attrition Rate	Uniform 5.0%	Uniform 32.0%
4	Retirement Age	58	58
5	Pre-retirement mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
6	Disability	5% Mortality rate	5% Mortality rate

	Particulars	March 31, 2025	March 31, 2024
K.	**Data**		
1.	No. of Employees	55	60
2.	Avg. Age (yrs.)	30.56	30.77
3.	Avg. Past Service (yrs.)	3.69	3.43
4.	Avg. Sal. Mly (Rs.)	30,136	28,944
5.	Future Service (yrs.)	27.44	27.23

	Particulars	March 31, 2025	March 31, 2024
L.	**Expected cash flows for following year**		
1	Expected total benefit payments (Lakhs)		
	Within the next 12 months (next annual reporting period)	7.22	5.7830
	Between 2 and 5 years	13.25	10.89
	Between 5 and 10 years	9.29	6.82
	Beyond 10 years	12.11	13.40

Particulars		March 31, 2025	March 31, 2024
M.	**Defined benefit obligation at end of year**		
	Current Obligation	14.73	12.55
	Non-Current Obligation	23.77	11.86
	Total	**38.50**	**24.41**

28 Operating lease payments

a The Company has lease contracts for various buildings used in its operations.

b Set out below are the carrying amounts of right of use assets recognised and the movements during the period

	Building	Furniture and fixtures	Total
Balance as at 31st March 2023	**44.77**	**6.86**	**51.63**
Additions	1.06	-	1.06
Reversals (less)	-	-	-
Amortisation (less)	(27.66)	(3.94)	(31.60)
Balance as at 31st March 2024	**18.17**	**2.92**	**21.09**
Add: Unamortized Prepaid Rent portion of Security Deposits	4.68	-	4.68
Additions	125.77	-	125.77
Reversals (less)	(8.68)	-	(8.68)
Amortisation (less)	(41.68)	(2.92)	(44.61)
Balance as at 31st March 2025	**98.26**	**-**	**98.26**

c Set out below are the carrying amounts of lease liabilities and the movement during the period

	As at March 31,2025	As at March 31,2024
Balance at the beginning of the year	20.99	52.37
Additions	126.04	0.78
Reversals (less)	(10.68)	-
Accretion of interest	7.73	3.26
Payments	(49.59)	(35.41)
Balance at the end of the year	**94.49**	**20.99**
Current	42.01	17.95
Non - Current	52.48	3.04

d The following are recongnised in the statement of profit and loss	As at March 31,2025	As at March 31,2024
Amortisation expenses of right of use assets	44.61	31.60
Interest expenses on lease liabilities	7.73	3.26
Gain on termination of lease	2.01	-
Expenses relating to short term leases	-	6.16
Expenses relating to leases of low value assets	(2.55)	2.03
Total amount recognised in profit or loss	**51.80**	**43.05**

e The Company has lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

29 Segment information

Business segment

The Company is engaged in the business of developing Software. The information relating to this operating segment is reviewed regularly by the Company's Key managerial personnel ('KMP') (Chief Operating Decision Maker) to make decisions about resources to be allocated and to assess its performance.

Geographical segment

The Company sells its services generally within India, however during the year, the Company has also generated income from the overseas market. Accordingly, geographical segment has been disclosed for India and Outside India.

March 31, 2025	India	Outside India	Total
Revenue from external customers*	331.93	270.81	602.73
Non-current assets (excluding tax assets)	1,488.30	-	1,488.30

*of the revenue from external customers, Rs.270.81 lakhs is from United Kingdom.

March 31, 2024	India	Outside India	Total
Revenue from external customers*	269.98	277.92	545.82
Non-current assets (excluding tax assets)	1,965.72	-	1,965.72

*of the revenue from external customers, Rs.277.92 lakhs is from United Kingdom.

30 Capital commitments and Contingent liabilities

	March 31, 2025	March 31, 2024
Capital commmitment	-	0.10
Contingent liabilities	-	-

From time to time, the Company is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations or cash flows of the Company.

31 Related party disclosures

a) List of related parties

Holding Company
TVS Supply Chain Solutions Limited

Entity which holds siginificant influence in the Holding Company
TVS Mobility Private Ltd

Entities under common control
Rico Logistics Limited, UK
Fit 3PL Warehousing Private Limited

b) Transactions with related parties

During the year the following transactions were carried out with related parties in the ordinary course of business

Nature of Transaction	Holding Company		Companies with significant influence		Companies with Common Control	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Consulting income						
TVS Supply Chain Solutions Limited	310.29	252.33	-	-	-	-
Fit 3Pl Warehousing Private Limited	-	-	-	-	1.20	2.70
Rico Logistics Limited, UK	-	-	-	-	270.81	277.92
Other expenses						
Legal and professional charges						
TVS Supply Chain Solutions Limited	36.77	16.06	-	-	-	-
Other expenses						
Information technology expenses						
TVS Supply Chain Solutions Limited	176.55	47.33	-	-	-	-
Other Income						
TVS Supply Chain Solutions Limited	18.95	0.91	-	-	-	-
Rent Expense						
TVS Mobility Private Ltd	-	-	-	-	2.00	2.00
Finance Income						
TVS Supply Chain Solutions Limited	-	4.51	-	-	-	-
Loan repayment during the year						
TVS Supply Chain Solutions Limited	-	190.00	-	-	-	-

	Holding Company		Companies with significant influence		Companies with Common Control	
Transaction / Balances	**March 31, 2025**	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
Trade Receivables						
TVS Supply Chain Solutions Limited	5.79	33.09	-	-	-	-
Rico Logistics Limited, UK	-	-	-	-	148.96	288.84
Fit 3PL Warehousing Private Limited	-	-	-	-	0.24	0.13
Unbilled receivable						
TVS Supply Chain Solutions Limited	35.45	2.00	-	-	-	-
Rico Logistics Limited, UK	-	-	-	38.00	-	-
			-	-	-	-
Trade Payables						
TVS Supply Chain Solutions Limited	471.06	193.44	-	-	-	-

c) Terms and Conditions of Transactions with Related Parties

(a) The Company earns consulting income for the use of Company's software from related parties which are on the same terms as applicable to third parties in an arm’s length transaction and in the ordinary course of business. Such transactions generally include payment terms requiring related parties to make payments within 30 to 60 days from the date of invoice.

(b)The Company pays cross charges to the holding company, TVS Supply Chain Solutions Limited based on the invoice raised by them. These were calculated based on the common expenses incurred by the holding company apportioned to the Company with a reasonable / arm's length mark-up.

(c) Rental expenses paid by the Company to the related parties is based on the prevailing market prices on a arm's length basis.

(d) Trade receivables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been received against these receivables. The amounts are recoverable within 30 to 60 days from the reporting date (March 31, 2024: 30 to 60 days from the reporting date). For the year ended March 31, 2025, the Group has not recorded any impairment on receivables due from related parties.

(e) Trade payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been given against these payables. The amounts are payable within 30 to 60 days from the reporting date (31 March 2024: 30 to 60 days from the reporting date).

32 Fair Values

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities

	Carrying Values		Fair Values	
Particulars	**As at March 31,2025**	**As at March 31,2024**	**As at March 31,2025**	**As at March 31,2024**
Financial Assets				
Other financial assets (non-current)	16.20	16.06	16.20	16.06
Other current financial assets	42.07	41.94	42.07	41.94
Trade receivables	160.14	278.33	160.14	278.33
Cash & cash equivalents	153.76	16.14	153.76	16.14
	372.17	**352.46**	**372.17**	**352.46**
Financial Liabilities				
Lease liability	94.49	20.99	94.49	20.99
Trade payables	494.28	376.14	494.28	376.14
	588.77	**397.13**	**588.77**	**397.13**

33 Due to micro and small enterprises

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31st march 2025 has been made in these standalone financial statements based on information received and available with the Company, to the extent identified by the management.

	As at March 31,2025	**As at March 31,2024**
The amounts remaining unpaid to micro and small suppliers as at end of the accounting year		
Principal	0.18	0.90
Interest due thereon		
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amount of payments made to the micro and small suppliers beyond the appointed day during each accounting year	-	27.50
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006		
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

34 Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through internal accruals and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors capital employed using a Debt equity ratio, which is total debt divided by total equity and maturity profile of the overall debt portfolio of the Company. The following table summarizes the capital of the Company:

Particulars	As at March 31, 2025	As at March 31, 2024
Equity share capital	413.30	413.30
Other equity	1,080.32	1,690.40
Equity	**1,493.62**	**2,103.70**
Debt Equity Ratio	-	-

Financial risk management objectives and policies
The Company's principal financial liabilities, comprise of borrowings and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, cash and short-term deposits, which arise directly from its operations.

The Company is exposed to certain financial risks that it manages by grouping together risk identification, measurement, concentration limitation and oversight systems. The Company's Board of Directors oversees and coordinates the management and limitation of financial risks, through the policies and approved at the highest executive level, in accordance with the estalished rules, policies and procedures. The identification, assessment and hedging of financial risks are the responsibility of the Board of Directors.

A. Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Future specific market movements cannot be normally predicted with reasonable accuracy.
Foreign Currency Exchange Rate Risk
The Company has limited transactions in foreign currency and the collections are made within few weeks of invoicing, hence, management does not believe that there is any foreign currency exchange rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk is minimal since the Company has entered into short term borrowings with a fixed interest rate of 7%.. The company has also advanced a loan to its holding company at an interest rate determined quarterly on MCLR%.

B. Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks.

Exposure to Credit risk - The carrying amount of financial assets represents the maximum Credit exposure. The maximum exposure to Credit risk was Rs. 372.17 Lakhs as at 31st March 2025 and Rs. 352.46 Lakhs as at 31st March 2024 being the total of the carrying amount of balances with banks, short term deposits with banks, trade and other receivables, current investments.

	Carrying amount	
	As at March 31, 2025	**As at March 31, 2024**
Trade receivable	160.14	278.33
Unbilled receivable	37.45	41.24
	197.59	**319.57**
Deposit and other receivable	16.20	16.06
Cash and cash equivalent	153.76	16.14
Other financial assets	4.62	0.70
	372.17	**352.46**

Customer credit risk is managed by the Company's procedures to customer credit risk management. Trade receivables are non-interest bearing and are generally on credit term in line with respective industry norms. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically except for receivables from group companies.

C. Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. All the borrowings of the Company are due to mature within one year from reporting date.

The Company has obtained funding from its associate company. The Company invests its surplus funds in bank fixed deposit and mutual funds, which carry no/low mark to market risks.

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments:

Particulars	On Demand	Less than 3 Months	3 to 12 Months	> 1 Year	Total
Year ended March 31,2025					
Lease liability	-	-	42.01	52.48	94.49
Trade and other payables	-	494.28	-	-	494.28
Other financial liablity	-	3.08	-	-	3.08
	-	**497.36**	**42.01**	**52.48**	**591.85**
Year ended March 31,2024					
Lease liability	-	-	17.95	3.04	20.99
Trade and other payables	-	376.14	-	-	376.14
Other financial liablity	-	11.27	-	-	11.27
	-	**387.41**	**17.95**	**3.04**	**408.41**

The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

35 Ratios Analysis

Ratios	Numerator	Denominator	March 31, 2025	March 31, 2024	% Variance	Remarks
Current ratio	Current assets	Current liabilities	0.73	0.87	-16%	-
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & lease payments + Principal repayments	(0.34)	(11.63)	-97%	Improvement in the current year is on account of reduced losses
Return on equity	Profit / (loss) attributable to Owners of the Company	Shareholder's equity	(0.40)	(0.33)	-22%	-
Trade receivable turnover ratio	Net credit sales = Gross revenue	Average trade receivable	2.75	1.27	116%	The ratio has improved because of increased collection.
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	(3.96)	(9.56)	-59%	The ratio has improved because of increase in revenue vis-a- vis reduction in working capital compared to previous year.
Net profit percentage	Net profit	Net sales = Total sales - sales return	(1.03)	(1.91)	46%	Ratio has improved on account of reduced losses in the current year
Return on capital employed	Earnings before interest and taxes	Capital employed = Tangible net worth + total debt + deferred tax liability	(3.73)	(4.48)	-17%	-

36 Other Statutory information

a) 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).

b) Benami property

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

c) Crypto currency
The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

d) Registration of charges or satisfaction with Registrar of Companies (ROC)
The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

e) Struck off companies transactions
The Company does not have any transactions with companies struck off.

f) Subsequent events
There are no significant subsequent events that have occurred after the reporting period till the date of this financial statements.

g) Wilful Defaulter
The Company is not declared as wilful defaulter by any bank of financial institution or other lender.

h) Disclosure on funding transactions
There are no funds that have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

There are no funds that have been received by the company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

37 Audit trail
The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with. Additionally , the audit trail records of Prior year have been presereved by the company in accordance with the statutory requirements for record retention.

38 Backup of Books of Accounts
Proper books of accounts as required by the law have been kept by the Company. Backup of the books of accounts (including audit trail) and papers are maintained in electronic mode on servers physically located in India.

39 Prior year figures
Previous year figures have been regrouped / reclassified, where necessary, to conform to current year's classification.

As per our report of even date attached
For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Regn. No: 101049W/E300004

Srigurupprasad N
Partner
Membership No: 225419

Place: Chennai
Date :May 26, 2025

On behalf of the board
For White Data Systems India Private Limited

Ravi Viswanathan
Director
DIN : 08713910

Place: Chennai
Date :May 26, 2025

Dinesh Narayan
Director
DIN : 10478249

Place: Chennai
Date :May 26, 2025

TVS Packaging Solutions Private Limited

FY 2024-25

Independent Auditor's Report

The Members of TVS Packaging Solutions Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TVS Packaging Solutions Private Limited (the "Company"), which comprise the balance sheet as at 31 March 2025, the statement of profit and loss (including other comprehensive income), statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA's") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Materiality Uncertainty Related to Going Concern

We draw attention to Note 2.1 to the financial statements, which more fully discusses the going concern related matter. The Company has incurred a net loss of Rs. 247,200 during the year ended 31 March 2025 with no cash flows during the year and the accumulated losses is Rs. 865,200. As stated in Note 2.1, these conditions, along with other matters as stated in the said note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The Management and Board of Directors however believe that no adjustment would be required in respect of the carrying values of assets / liabilities. Accordingly, the financial statements have been prepared on a going concern basis. Our opinion is not modified in respect of this matter.

Management and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. This report does not contain a statement on the matters specified in paragraphs 3 and 4 of Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act as, in our opinion, and according to the information and explanations given to us, the Order is not applicable in the case of this Company.

2. As required by section 143(3) of the Act, we report that:

   A)

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in 2(B))(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Riles, 2014.
c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
e. On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act.
f. The Company has been exempted from the requirements of its auditor reporting on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls (clause (i) of section 143(3)); and

B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. the Company does not have any pending litigations which would impact its financial position.
b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
d.
    1. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    2. The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement.

e. The Company has not declared or paid any dividend during the year.

f. Based on our examination which included test checks, the Company has maintained its entire books of account manually. Hence the assessment and reporting responsibility under Rule 11(g) does not apply.

C) With respect to the matter to be included in the Auditor's Report under section 197(16), in our opinion and according to the information and explanations given to us, the provision of Section 197 of the Act is not applicable to the Company.

for **S K R and Company LLP**
Chartered Accountants
Firm's Registration No.: 012586S/S200003

Suneel Ananthanarayanan
Partner
Membership No.: 221636
ICAI UDIN: 25221636BMSBSA8379

Place: Chennai
Date: May 27, 2025

TVS Packaging Solutions Private Limited
Balance Sheet as at March 31, 2025
(All amounts are in thousands of Indian Rupees except share data and otherwise as stated)

	Note	As at Mar 31, 2025	As at Mar 31, 2024
Assets			
Non-current assets			
Financial assets			
Investments	5	0.27	0.27
Total non-current assets		**0.27**	**0.27**
Current assets			
Financial assets			
Cash and cash equivalents	6	100.00	100.00
Total current assets		**100.00**	**100.00**
Total assets		**100.27**	**100.27**
Equity and liabilities			
Equity			
Equity share capital	7	100.00	100.00
Other equity		(865.20)	(618.00)
Total equity		**(765.20)**	**(518.00)**
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	8	865.47	618.27
Total current liabilities		**865.47**	**618.27**
Total equity and liabilities		**100.27**	**100.27**
Significant accounting policies	3		

The notes referred to above form an integral part of these standalone financial statements

In terms of our report of even date attached

for **S K R and Company LLP**
Chartered Accountants
Firm's registration number: 012586S/S200003

For and on behalf of the Board of Directors of
TVS Packaging Solutions Private Limited
CIN: U74999TN2017PTC116321

Suneel Ananthanarayanan
Partner
Membership number: 221636
Place: Chennai
Date: May 27, 2025

S Ravichandran
Director
DIN: 01485845

H Janardana Iyer
Director
DIN: 02688787

TVS Packaging Solutions Private Limited
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts are in thousands of Indian Rupees except share data and otherwise as stated)

	Note	Year ended Mar 31, 2025	Year ended Mar 31, 2024
Revenue			
Revenue from operations		-	-
		-	-
Expenses			
Other expenses	9	247.20	247.20
Total expenses		**247.20**	**247.20**
Loss for the year		**(247.20)**	**(247.20)**
Other comprehensive income		-	-
Total comprehensive income for the year		**(247.20)**	**(247.20)**
Loss per equity share (EPS)			
Number of shares		10,000	10,000
Basic and diluted (Rs. per share)		(24.72)	(24.72)
Significant accounting policies	3		

The notes referred to above form an integral part of these standalone financial statements

In terms of our report of even date attached

for **S K R and Company LLP**
Chartered Accountants
Firm's registration number: 012586S/S200003

For and on behalf of the Board of Directors of
TVS Packaging Solutions Private Limited
CIN: U74999TN2017PTC116321

Suneel Ananthanarayanan
Partner
Membership number: 221636
Place: Chennai
Date: May 27, 2025

S Ravichandran
Director
DIN: 01485845

H Janardana Iyer
Director
DIN: 02688787

TVS Packaging Solutions Private Limited
Cash Flow Statement for the year ended March 31, 2025
(All amounts are in thousands of Indian Rupees except share data and otherwise as stated)

	Note	Year ended Mar 31, 2025	Year ended Mar 31, 2024
A. Cash flow from operating activities			
Loss for the year		(247.20)	(247.20)
Changes in operating assets and liabilities:			
Trade payables		247.20	247.20
Net cash generated from operating activities		-	-
B. Cash flow from Investing Activities		-	-
C. Cash flow from Financing Activities		-	-
Net increase/(decrease) in cash and cash equivalents during the year	**A+B+C**	-	-
Cash and cash equivalents at the beginning of the year		100.00	100.00
Cash and cash equivalents at the end of the year		**100.00**	**100.00**

Significant accounting policies 3

The notes referred to above form an integral part of these standalone financial statements

In terms of our report of even date attached

for **S K R and Company LLP**
Chartered Accountants
Firm's registration number: 012586S/S200003

For and on behalf of the Board of Directors of
TVS Packaging Solutions Private Limited
CIN: U74999TN2017PTC116321

Suneel Ananthanarayanan
Partner
Membership number: 221636
Place: Chennai
Date: May 27, 2025

S Ravichandran
Director
DIN: 01485845

H Janardana Iyer
Director
DIN: 02688787

TVS Packaging Solutions Private Limited
Statement of changes in equity for the year ended March 31, 2025
(All amounts are in thousands of Indian Rupees except share data and otherwise as stated)

(a) Equity share capital

Particulars	**No. of shares**	**Amount**
Equity shares of Rs. 10 each issued, subscribed and fully paid		
Balance as at April 1, 2023	**10,000**	**100.00**
Changes in equity share capital during the year	-	-
Balance as at March 31, 2024	**10,000**	**100.00**
Balance as at April 1, 2023	10,000	100.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2025	**10,000**	**100.00**

(b) Other equity

Particulars	**Retained earnings**	**Total other equity**
Balance as at April 1, 2023	(370.80)	(370.80)
Loss for the year ended March 31, 2024	(247.20)	(247.20)
Balance as at March 31, 2024	**(618.00)**	**(618.00)**
Balance as at April 1, 2024	(618.00)	(618.00)
Loss for the year ended March 31, 2025	(247.20)	(247.20)
Balance as at March 31, 2025	**(865.20)**	**(865.20)**

The notes referred to above form an integral part of the financial statements

In terms of our report of even date attached

for **S K R and Company LLP**
Chartered Accountants
Firm's registration number: 012586S/S200003

For and on behalf of the Board of Directors of
TVS Packaging Solutions Private Limited
CIN: U74999TN2017PTC116321

Suneel Ananthanarayanan
Partner
Membership number: 221636
Place: Chennai
Date: May 27, 2025

S Ravichandran
Director
DIN: 01485845

H Janardana Iyer
Director
DIN: 02688787

TVS Packaging Solutions Private Limited

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in thousands of Indian Rupees except share data and otherwise as stated)

1. Reporting entity

TVS Packaging Solutions Private Limited ('TVSPSPL') having CIN: U74999TN2017PTC116321 is a Company incorporated on April 28, 2017. It has its place of business in Tamil Nadu, India.

2. Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Company has incurred a net loss of Rs.247.20 thousands during the year ended March 31, 2025 with no cash flows during the year and the accumulated losses is Rs.865.20 thousands. The Company has not commenced the operations and is awaiting the business opportunity to start generating operating cash flows. These conditions indicate that a material uncertainity exists that may cast a significant doubt on the Company's ability to continue as a going concern. The Management and Board of Directors however believe that no adjustment would be required in respect of the carrying values of assets / liabilities. Accordingly, the financial statements have been prepared on a going concern basis.

These financial statements were authorised for issue by the Company's Board of Directors.

Details of the Company's accounting policies are included in Note 3.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is the Company's functional currency. All amounts have been rounded off and presented in thousands of Indian Rupees (Rs.), except share data and as stated.

2.3 Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain financial assets and liabilities which have been measured at fair value.

The material accounting policy information related to preparation of the standalone financial statements have been discussed in the respective notes.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3 Material accounting policies

The accounting policies set out below have been applied in these financial statements.

3.1 Financial instruments

i. Recognition and initial measurement

Trade receivables is initially recognised when it is originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- Fair Value through Other Comprehensive Income (FVOCI) - equity investment; or
- Fair Value through Profit and Loss Account (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

3 Material accounting policies (contd.)

3.1 Financial instruments (contd.)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by- investment basis.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. However, see note 3.2 (v) for derivatives designated as hedging instruments.
These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.
These assets are subsequently measured at amortised cost using the effective interest method, except for investment forming part of interest in subsidiaries, which are measured at cost. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3 Material accounting policies (contd.)

3.2 Impairment of financial instruments

In accordance with Ind AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit losses. For all other financial assets, ECL are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. Expected credit losses are a probability-weighted estimate of credit losses.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets.

3.3 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

3.4 Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.5 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

3 Material accounting policies (contd.)

3.5 Income tax (contd.)

ii. Deferred tax (contd.)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.6 Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results

4 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

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	As at Mar 31, 2025	As at Mar 31, 2024
5 Investments		
Unquoted instruments		
Fellow Subsidiary Company at Cost		
5 (March 31, 2024: 5) equity shares of TVS Supply Chain Solutions Pte. Limited, Singapore	0.27	0.27
	0.27	**0.27**
Aggregate value of unquoted investments	0.27	0.27
6 Cash and cash equivalents		
Cash on hand	100.00	100.00
	100.00	**100.00**
7 Share capital		
a) The details of authorised, issued, subscribed and paid-up share capital is as under:		
Authorised		
10,000 equity shares of Rs.10 each	100.00	100.00
	100.00	**100.00**
Issued, subscribed and paid up		
10,000 equity shares of Rs.10 each	100.00	100.00
	100.00	**100.00**

b) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

	Mar 31, 2025		Mar 31, 2024	
	Number	**Amount**	**Number**	**Amount**
At the commencement of the year	10,000	100.00	10,000	100.00
Issued during the year	-	-	-	-
At the end of the year	**10,000**	**100.00**	**10,000**	**100.00**

c) Particulars of shareholders holding more than 5% of equity shares

	Mar 31, 2025		Mar 31, 2024	
	Number	**% of total shares**	**Number**	**% of total shares**
TVS Supply Chain Solutions Limited	9,999	100.00%	9,999	100.00%

8 Trade payables		
Dues of micro and small enterprises (refer note 11)	-	-
Dues of other than micro and small enterprises	865.47	618.27
	865.47	**618.27**

Ageing of Trade payables from the due date of payment

	Outstanding for following periods from due date of payment				
Particulars	**Less than 1 year**	**1 - 2 years**	**2- 3 years**	**More than 3 years**	**Total**
MSME	-	-	-	-	-
Others	247.20	247.20	11.80	359.27	865.47
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (others)	-	-	-	-	-
As at March 31, 2025	**247.20**	**247.20**	**11.80**	**359.27**	**865.47**
MSME	-	-	-	-	-
Others	247.20	11.80	247.47	111.80	618.27
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (others)	-	-	-	-	-
As at March 31, 2024	**247.20**	**11.80**	**247.47**	**111.80**	**618.27**

	Year ended March 31, 2025	Year ended March 31, 2024
9 Other expenses		
Rent expense	200.00	200.00
Payment to auditors	47.20	47.20
	247.20	**247.20**

10 Related party disclosures

Related parties where control exists or with whom transactions have taken place during the period:

Key management personnel	Nature of relationship
Sargunaraj Ravichandran	Director
Harihara Iyer Janardana Iyer	Director
TVS Supply Chain Solutions Limited	Parent Company
TVS Supply Chain Solutions Pte. Limited, Singapore	Fellow Subsidiary Company

Balances with related parties:

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Trade payables		
Parent Company		
TVS Supply Chain Solutions Limited	865.47	618.27

11 Dues to micro and small suppliers

The Management has identified that there are no enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Such determination / identification has been done on the basis of information received and available with the Company and relied upon by the Auditors. The disclosure in respect of the amounts payable to such enterprises as at March 31, 2025 has been made in the financial statements based on information received and available with the Company.

Particulars	As at 31 March 2025	As at 31 March 2024
The following details relating to micro, small and medium enterprises shall be disclosed in the notes:		
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

12 Analytical ratios

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Variance	Remarks
Current ratio	0.12	0.16	-28.56%	Refer note (i)
Debt-equity ratio (times)	-	-	-	Not Applicable
Debt service coverage ratio (times)	-	-	-	Not Applicable
Return on equity (%)	(0.32)	(0.48)	32.31%	Refer note (ii)
Inventory turnover ratio (times)	-	-	-	Not Applicable
Trade receivables turnover ratio (times)	-	-	-	Not Applicable
Trade payables turnover ratio (times)	-	-	-	Not Applicable
Net capital turnover ratio (times)	-	-	-	Not Applicable
Net profit ratio (%)	-	-	-	Not Applicable
Return on capital employed (%)	(0.32)	(0.48)	32.31%	Refer note (ii)
Return on investments (%)	-	-	-	Not Applicable

Note:

(i) The variance is on account of increase in expenses therby increase in trade payables during the year as compared to last financial year.
(ii) The variance is due to increase in expenses and thereby increase in loss during the year as compared to last financial year.

Formula for above ratios:
(i) Current ratio - Current assets / Current liabilities
(ii) Debt-equity ration - Total debt / Shareholder's equity
(iii) Debt service coverage ratio - Earnings available for debt service / Debt service
(iv) Return on equity - Profit after tax / Average shareholders' equity
(v) Inventory turnover ration - Cost of goods sold / Average inventory
(vii) Trade payables turnover ratio - Net credit purchases / Average trade payables
(viii) Net capital turnover ratio - Net sales / Working capital
(ix) Net profit ratio - Net profit / Net sales
(x) Return on capital employed - Earnings before interest and tax / Shareholders' equity
(xi) Return on investments - Income generated from invested funds / Invested funds in treasury investments

13 Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.

(iii) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iv) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds)by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identifiedin any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(v) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vi) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

(vii) The Company does not have any charges or satisfaction which are yet to be registered with the Registrar of Companies (RoC) beyond the statutory period.

(viii) Compliance with clause (87) of section 2 of the Act read with Companies (Restriction of number of layers) Rules, 2017 with respect to layer of Companies are not applicable to the Company.

(ix) There are no Scheme of Arrangements that has been approved by the Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.

(x) The Company has no borrowings from banks or financial institutions and the Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(xi) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lenders.

(xii) The Company does not have any borrowings from banks or financial institutions that are secured against current assets.

14 Contingent liabilities and capital commitments

There are no contingent liabilities and capital commitments as at the end of March 31, 2025 that have not been provided for.

for **S K R and Company LLP**
Chartered Accountants
Firm's registration number: 012586S/S200003

For and on behalf of the Board of Directors of
TVS Packaging Solutions Private Limited
CIN: U74999TN2017PTC116321

Suneel Ananthanarayanan
Membership number: 221636
Place: Chennai
Date: May 27, 2025

S Ravichandran DIN: 01485845
H Janardana Iyer DIN: 02688787

TVS SCS International Freight (Spain) SLU

FY 2024-25

Translation of a report and annual accounts originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

INDEPENDENT AUDITOR´S REPORT ON THE ANNUAL ACCOUNTS

To the Sole Shareholder of TVS SCS International Freight (Spain), S.L.:

Opinion

We have audited the annual accounts of TVS SCS International Freight (Spain), S.L. (the Company), which comprise the balance sheet as at March 31, 2025, the income statement, statement of changes in equity, cash flow statement and related notes for the year then ended.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of the Company as at March 31, 2025, as well as its financial performance and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in Note 2.1 of the notes to the annual accounts), and in particular, with the accounting principles and criteria included therein.

Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the annual accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Most relevant aspects of the audit

The most relevant aspects of the audit are those that, in our professional judgment, were considered to be the most significant risks of material misstatement in our audit of the annual accounts of the current period.

These risks were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these risks.

Revenue recognition (see notes 4.7 and 13.1)

As of March 31, 2025, the Company has recognized in "Net revenue" of the attached profit and loss account an amount of 65,860,439 euros corresponding to the income that the Company generates from its activity as a freight forwarder, that is, the provision of logistics services at both national and international transit levels, as well as customs clearance and the administrative operations related to each service.

Due to the fact that the recognition of these revenues consists of a large number of individual transactions associated with the conditions of each service, it is a significant area and susceptible to material misstatement regarding the valuation and integrity of them, which is why it has been considered one of the most relevant aspects of our audit.

Our audit procedures have included, among others, understanding the process followed by the Company in recognizing revenues and the costs associated with each service provided, analyzing the internal control regarding the accounting and administrative procedures followed by the Company, applying analytical procedures in the area of revenues and costs to monitor the margins applied to the services, applying detailed tests verifying that the associated revenues and costs have been recognized based on the contractual conditions agreed with third parties and the relevant supporting documentation.

Likewise, since the costs associated with the services performed close to the year-end closing date, in certain cases are based on cost estimates due to not having yet received the invoices from the suppliers, we have conducted subsequent event review tests to verify the sufficiency of these provisions, as well as to ensure that there are no revenues and costs corresponding to the current year that have been recorded subsequently.

Other information: Management report

Other information comprises only the management report for the 2025 financial year, the formulation of which is the responsibility of the Company´s directors and does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not cover the management report. Our responsibility regarding the management report, in accordance with legislation governing the audit practice, is to evaluate and report on the consistency between the management report and the annual accounts as a result of our knowledge of the Company obtained during the audit of the aforementioned financial statements, as well as to evaluate and report whether the content and presentation of the management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described in the previous paragraph, the information contained in the management report is consistent with that contained in the annual accounts for the 2025 financial year, and its content and presentation are in accordance with the applicable regulations.

Responsibility of the directors for the annual accounts

The Company´s directors are responsible for the preparation of the accompanying annual accounts, such that they fairly present the equity, financial position and financial performance of the Company, in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Company´s directors are responsible for assessing the Company´s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor´s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with legislation governing the audit practice in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company´s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company´s directors.

- Conclude on the appropriateness of the directors´ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company´s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor´s report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor´s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Company´s directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the significant risks communicated with the Company´s directors, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are, therefore, considered to be the most significant risks.

We describe these risks in our auditor´s report unless law or regulation precludes public disclosure about the matter.

Restriction on Use and Distribution

This report has been prepared for the purposes of providing a free translation of the hard copy of our Spanish audit report (signed it on May, 2025) into English to the Sole Shareholder to enable it to get an understanding of our audit report. The translation may, therefore, not be suitable for another purpose. This report in intended solely for the Sole Shareholder and should not be used by other parties.

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 17). In the event of a discrepancy, the Spanish-language version prevails.

TVS SCS International Freight (Spain), S.L. (Sole Shareholder Company)

BALANCE SHEET AS AT 31 MARCH 2025

(Euros)

ASSETS	Notes	31.03.2025	31.03.2024	EQUITY AND LIABILITIES	Notes	31.03.2025	31.03.2024
NON-CURRENT ASSETS		**504,927**	**816,364**	**EQUITY**	Note 9	**2,993,224**	**4,120,358**
Intangible assets	Note 5	**5,550**	**-**	***SHAREHOLDERS EQUITY***			
Computer Software		5,550	-	**Share Capital**		**3,588,009**	**3,588,009**
Property, plant and equipment	Note 6	**364,710**	**134,742**	Registered share capital		3,588,009	3,588,009
Plant and other items of property, plant and equipment		364,710	134,742	**Reserves-**		**1,423,845**	**1,431,427**
Non-current financial assets	Note 8	**117,618**	**132,737**	Legal and bylaw reserves		717,602	717,602
Equity instruments				Other reserves		706,244	713,826
Other financial assets		117,618	132,737	**Prior years' profits (losses)**		**(899,078)**	**-**
Deferred tax assets	Note 11.5	**17,049**	**548,886**	**Profit (Loss) for the year**		**(1,119,552)**	**(899,078)**
CURRENT ASSETS		**18,842,354**	**16,650,628**			**27.201**	**35.655**
Trade and other receivables	Note 8	**16.553.728**	**15,267,515**	**NON-CURRENT LIABILITIES**			
Trade receivables for sales and services		16,375,767	15,190,303	**Non-current payables**		**854**	**854**
Trade receivables from Group companies and associates	Note 14.2	150,218	70,174	**Deferred tax liabilities**	Note 11.5	**26,347**	**34,801**
Sundry accounts receivable		25,520	5,012				
Employees receivables		2,000	2,000	**CURRENT LIABILITIES**		**16,326,856**	**13,310,979**
Other accounts receivable from public authorities	Note 11.1	223	25	**Current payables**	Note 10.1	-	-
Current financial assets	Note 8	**30,165**	**22,762**	Other financial liabilities	Note 7.1	-	-
Current equity instruments		13,882	6,480	**Trade and other payables**		**16,326,856**	**13,310,979**
Short-term loans to third parties		5,000	5,000	Payable to suppliers		12,189,126	11,582,242
Other current financial assets		11,283	11,283	Payable to suppliers Group companies and associates	Note 14.2	3,543,807	1,289,692
Current prepayments and accrued income		**84,395**	**74,552**	Remuneration payable		329,272	114,762
Cash and cash equivalents		**2,174,066**	**1,285,798**	Other accounts payable to public authorities	Note 11.1	264,651	324,284
TOTAL ASSETS		**19,347,280**	**17,466,992**	**TOTAL EQUITY AND LIABILITIES**		**19,347,280**	**17,466,992**

The accompanying Notes 1 to 18 are an integral part of the balance sheet as at 31 March 2025

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 17). In the event of a discrepancy, the Spanish-language version prevails.

PROFIT AND LOSS STATEMENT FOR FY 2025

(Euros)

	Notes	FY25	FY24
CONTINUING OPERATIONS			
Revenue	Note 13.1	**65,860,439**	**42,806,818**
Revenue for sales		65,860,439	42,806,818
Procurements	Note 13.2	**(55,565,899)**	**(33,800,904)**
Cost of goods held for resale sold		(55.565.899)	(33,800,904)
Other operating income		**96,591**	**116,002**
Non-core and other current operating income		94,445	111,336
Income related grants trasferred to profit and loss		2,146	4,666
Staff Costs	Note 13.3	**(6,526,101)**	**(6,100,035)**
Wages, salaries and similar expenses		(5,229,139)	(4,737,656)
Employee benefict costs		(1,296.963)	(1,362,379)
Other operating expenses	Note 13.4	**(4,274,061)**	**(4,103,865)**
Outside services		(4,246,000)	(4,093,629)
Other taxes than income tax		(15,629)	(16,254)
Losses & write down off trade receivables & changes in provisions for trade transactions	Note 8.3	(31,381)	363,285
Other current operating expenses		18,949	(357,268)
Depreciation and amortization charge	Notes 5 y 6	**(57,522)**	**(39,611)**
Impairment and gains or losses on disposals of non-current assets	Note 6	**12,229**	-
Other gains and losses		**(8,596)**	**(12,851)**
PROFIT (LOSS) FROM OPERATIONS		**(462,919)**	**(1,134,446)**
Finance income-		**15,194**	**10,777**
From investments in equity instruments		1,043	133
From marketable securities and other third-party financial instruments		14,152	10,644
Finance costs-		**(107,115)**	**(48,967)**
On debts to third parties		-	-
Changes in fair value of financial instruments		(107,115)	(48,967)
Exchange differences		**7,402**	**2,074**
Impairment and gain or loss on disposal of financial instruments	Note 8.1	**(48,732)**	**(8,084)**
FINANCIAL PROFIT (LOSS)		**(133,250)**	**(44,200)**
PROFIT (LOSS) BEFORE TAX		**(596,169)**	**(1,178,646)**
Income tax	Note 11.3	(523,383)	279,568
PROFIT (LOSS) FOR THE YEAR		**(1,119,552)**	**(899,078)**

The accompanying Notes 1 to 18 are an integral part of the statement of profit or loss for 2025

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 17). In the event of a discrepancy, the Spanish-language version prevails.

TVS SCS International Freight (Spain), S.L. (Sole Shareholder Company)

STATEMENT OF CHANGES IN EQUITY FOR 2025

A) STATEMENT OF RECOGNISED INCOME AND EXPENSE

(Euros)

	Ejercicio FY25	Ejercicio FY24
PROFIT (LOSS) PER STATEMENT OF PROFIT OR LOSS (I)	**(1,119,552)**	**(899,078)**
Income and expense recognised directly in equity		
- Grants, donations and legacies received	-	-
- Tax effect	-	-
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY (II)	**-**	**-**
Transfers to profit or loss		
- Grants, donations and legacies received	-	-
- Tax effect	-	-
TOTAL TRANSFERS TO PROFIT OR LOSS (III)	**-**	**-**
TOTAL RECOGNISED INCOME AND EXPENSE (I+II+III)	**(1,119,552)**	**(899,078)**

The accompanying Notes 1 to 18 are an integral part of the statement of recognised income and expense for 2025

TVS SCS International Freight (Spain), S.L. (Sociedad Unipersonal)

STATEMENT OF CHANGES IN EQUITY FOR 2025

B) STATEMENT OF CHANGES IN TOTAL EQUITY

(Euros)

	Share Capital	Reserves	Prior years profits (losses)	Profit (Loss) for the year	TOTAL
BALANCE AT 31 MARCH 2023	**3,588,009**	**753,915**	**(18,671)**	**696,184**	**5,019,436**
Total recognised income and expenses	-		-	(899,078)	(899,078)
Distribution of 2023 profit	-	677,513	18,671	(696,184)	-
BALANCE AT 31 MARCH 2024	**3,588,009**	**1,431,427**	**(18.671)**	**(899,078)**	**4,120,358**
Total recognised income and expenses	-	-7,582	-	(1,119,552)	(1,127,134)
Distribution of 2024 profit	-		-899,078	899,078	-
BALANCE AT 31 MARCH 2025	**3,588,009**	**1,423,845**	**-899,078**	**(1,119,552)**	**2,993,224**

The accompanying Notes 1 to 18 are an integral part of the statement of changes in total equity for 2025

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 17). In the event of a discrepancy, the Spanish-language version prevails.

TVS SCS International Freight (Spain), S.L. (Sole Shareholder Company)

CASF FLOW STATEMENT FOR 2025

(Euros)

	Notes	FY25	FY24
CASH FLOWS FROM OPERATING ACTIVITIES (I)		**1,161,037**	**(2,978,131)**
Profit (Loss) for the year before tax		**(596,169)**	**(1,178,647)**
Adjustments for		**49.698**	**89,353**
- Depreciation and amortisation charge	Note 5 & 6	57,521	39,611
- Impairment losses	Note 8	(31,381)	363,285
- Result on derecognition and disposal of fixed assets	Note 5 & 6	(12,229)	-
- Other Results		-	(341,575)
- Finance income		(15,194)	(10,777)
- Finance costs		107,115	48,967
- Exchange differences		(48,732)	(8,084)
- Changes in fair value of financial instruments		(7,402)	(2,074)
Changes in working capital		**1,799,429**	**(2,214,638)**
- Trade and other receivables		(1,254,831)	(4,563,316)
- Other current assets		(9,844)	(19,533)
- Trade and other payables		3,064,105	2,368,211
- Other current liabilities		-	-
Other cash flows from operating activities		**(91,921)**	**325,801**
- Interest paid		(107,115)	(48,967)
- Interest received		15,194	10,777
- Income tax recovered (paid)	Note 11	(0)	363,991
		-	-
CASH FLOWS FROM INVESTING ACTIVITIES (II)		**(272,770)**	**5,461**
Payments due to investment		**(368,668)**	**(9,341)**
- Property, plant and equipment	Note 6	(300,118)	(9,341)
- Other financial assets	Note 9	(68,550)	-
Proceeds from disposal		**95,898**	**14,802**
- Group companies and associates		-	-
- Property, plant and equipment	Note 6	12,229	-
- Other financial assets		83,669	14,802
		-	-
CASH FLOWS FROM FINANCING ACTIVITIES (III)		**-**	**(74,301)**
Proceeds and payments relating to financial liability instruments	Note 10.1	**-**	**(74,301)**
- Proceeds from issue of bank borrowings		-	(74,301)
		-	-
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (I+II+III)		**888,267**	**(3,046,971)**
			-
Cash and cash equivalents at beginning of year		1,285,798	4,332,769
Cash and cash equivalents at end of year		2,174,066	1,285,798

The accompanying Notes 1 to 18 are an integral part of the statement of cash flows for 2025

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 17). In the event of a discrepancy, the Spanish-language version prevails.

TVS SCS International Freight (Spain), S.L. (Sole-Shareholder Company)

Notes to the Financial Statements
for the year ended 31 March 2025

1. Company activities

TVS SCS International Freight (Spain), S.L. (Sole-Shareholding Company) ("the Company") was incorporated on 13 May 1987 under the name Jordi Nadal, S.A., and included the business initiated in 1979 by the individual Jordi Nadal Atcher. On 25 July 1990, the Company bylaws were amended to adapt them to current corporate legislation and on 31 December 1998 it adopted its current legal form as a private limited liability company.

On 22 November 2000, the shareholders at the Company's Extraordinary General Meeting resolved to change, with effect from 1 January 2001, the Company's name to Nadal Forwarding, S.L.

On 14 December 2017, the Company became part of the TVS ASIANICS Group which has its registered office in Singapore. On the same date, the sole shareholder, TVS-Asianics Supply Chain Solutions Pte, Ltd., acquired all the shares of the Company and declared its sole-shareholder statu. On 15 December 2020, the sole shareholder decided to change to the actual Company's current registered name is TVS SCS International Freight (Spain), S.L. (Sole-Shareholder Company).

The Company was incorporated for an indefinite period of time and the company object consists of domestic and international transport, with customs clearance; provision of logistics services to the various industrial sectors requiring storage, classification of goods, picking and stock control; in-house IT and software programming services, connection with the users of the aforementioned services and data transmission via electronic data interchange (EDI); provision of brokerage activities in foreign cargo freight transactions; operation of all manner of hospitality activities and in particular the supply of food and beverages; management, administration, acquisition, non-financial lease with or without purchase option, operation, disposal and market placement of all manner of property assets; and the construction, operation, lease and purchase and sale of all manner of sports facilities, as well as the organization and holding of all manner of sports activities.

The Company's registered office is at street Antàrtic, 2-8, ZAL Port, Sants-Montjuïc (Barcelona).

On 14 December 2017, the sole shareholder resolved to change the Company's reporting period to commence on 1 April and end on 31 March of the following year.

References in these notes to financial year 2025 are to the financial year 1 April 2024 to 31 March 2025. References to financial year 2024 also refer to the financial year from 1 April 2023 to 31 March 2024.

The Company forms part of the TVS SCS Group, the parent of which is TVS Supply Chain SolutionsPte, Ltd, with registered office in Singapore, which prepares consolidated financial statements. The consolidated financial statements for the year ended 31 March 2024 of the TVS Group were formally prepared by the directors of TVS Supply Chain Solutions Pte, Ltd. at the Board of Directors Meeting held on 27th May 2024 and were filed at the Chennai Mercantile Registry.

The figures contained in all the financial statements forming part of the annual financial statements (balance sheet, statement of profit or loss, statement of changes in equity, statement of cash flows and the notes to the financial statements) are expressed in euros. The euro is the Company's presentation and functional currency.

2. Basis of presentation of the financial statements

2.1 Regulatory financial reporting framework applicable to the Company

These financial statements were formally prepared by the directors in accordance with the regulatory financial reporting framework applicable to the Company, which consists of:

a. The Spanish Commercial Code and all other Spanish corporate law.

b. The Spanish National Chart of Accounts approved by Royal Decree 1514/2007 and amended by Royal Decree 602/2016 and Royal Decree 1/2021, and its industry adaptations.

c. The mandatory rules approved by the Spanish Accounting and Audit Institute in order to implement the Spanish National Chart of Accounts and the relevant secondary legislation.

d. All other applicable Spanish accounting legislation.

2.2 Fair presentation

The accompanying financial statements, which were obtained from the Company's accounting records, are presented in accordance with the regulatory financial reporting framework applicable to the Company and, in particular, with the accounting principles and rules contained therein and, accordingly, present fairly the Company's equity, financial position, results and cash flows for 2025. These financial statements will be submitted for approval by the sole shareholder, and it is considered that they will be approved without any changes. The financial statements for the year ended 31 March 2024 (FY2024) were approved by the sole shareholder on 28th October 2024.

In preparing these financial statements, the Company omitted any information or disclosures which, not requiring disclosure due to their qualitative importance, were considered not to be material in accordance with the concept of materiality defined in the conceptual framework of the Spanish National Chart of Accounts in force (approved in 2007).

2.3 Non-obligatory accounting principles applied

No non-obligatory accounting principles were applied. The directors formally prepared these financial statements taking into account all the obligatory accounting principles and standards with a significant effect hereon. All obligatory accounting principles were applied.

2.4 Key issues in relation to the measurement and estimation of uncertainty

In preparing the accompanying financial statements, estimates were made based on historical experience and on other factors considered to be reasonable in view of the current circumstances; these estimates formed the basis for establishing the carrying amounts of certain assets, liabilities, income, expenses and obligations whose value is not readily determinable using other sources. The Company reviews its estimates on an ongoing basis.

Although these estimates were made on the basis of the best information available at 2025 year-end, events that take place in the future might make it necessary to change these estimates (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively.

The main future assumptions made and other relevant sources of uncertainty in the estimates at year-end which could have a significant effect on the financial statements in coming year were as follows:

- The possible impairment of intangible assets, items of property, plant and equipment and other assets (see Notes 4.1 and 4.2).
- The useful lives of intangible assets and items of property, plant and equipment (see Notes 4.1 and 4.2).
- The fair value of financial instruments (see Note 4.4).
- The method used to recognize and evaluate the recoverable amount of, deferred taxes (see Note 4.6).
- The evaluation of provisions and contingencies at year-end (see Note 4.8).

Economic situation

The Directors and Management of the Company constantly monitor the evolution of the economic cycle in the short and long term, as well as the possible risks, both financial and non-financial, that may arise from the global uncertainties, including the war between Russia and Ukraine or Red Sea crisis, in order to minimise the possible impact of these risks on the Company.

During the 2024 financial year, the generalised reduction in prices led to a decrease in the Company's turnover. However, during the financial year 2025, as a result of the commitment to strengthening the sales force in Barcelona and Valencia, as well as the expansion of new branches in Andalusia and Madrid, which has recently been joined by a new branch in Zaragoza, opened in the second half of this financial year, has led to an increase in the Company's turnover.

Taking into account all of the above factors and the economic forecasts in the markets in which the Company operates, as well as the Company's liquidity and liquidity capacity, the Directors consider that the conclusion on the application of the going concern principle remains valid.

2.5 Comparative information

The application of the accounting criteria in 2025 and 2024 has been uniform and, therefore, there are no operations or transactions that have been recorded following different accounting principles that cloud give rise to discrepancies in the interpretation of the comparative figures for both periods.

2.6 Correction of errors

In preparing the accompanying financial statements no significant errors were detected that would have made it necessary to restate the amounts included in the financial statements for 2024.

2.7 Grouping of items

Certain items in the balance sheet, statement of profit or loss, statement of changes in equity and statement of cash flows are grouped together to facilitate their understanding; however, whenever the amounts involved are material, the information is broken down in the related notes to the financial statements.

2.8 Changes in accounting policies

During 2025 there have been no significant changes in accounting criteria with respect to the criteria applied in 2024.

3. Allocation of loss

The proposed allocation of the loss for the year that the Company's directors will submit for approval by the sole shareholder is as follows:

	Euros
Basis of allocation:	
Loss for the year	-1,119,552
	-1,119,552
Allocation to:	
Retained losses	-1,119,552
Voluntary reserves	
	-1,119,552

The Company has not distributed the following dividends in the last 5 financial years.

4. Accounting policies

As indicated in Note 2, the Company applied accounting policies in accordance with the accounting principles and rules included in the Spanish Commercial Code, implemented in the current Spanish National Chart of Accounts (2007 and RD 1/2021), and all other Spanish corporate law in force at the reporting date of these financial statements. In this connection, only those accounting policies that are specific to the Company's business activities and those considered significant on the basis of the nature of its activities are detailed below.

4.1 Intangible assets

As a general rule, intangible assets are recognised initially at acquisition or production cost. They are subsequently measured at cost less any accumulated amortization and any accumulated impairment losses. These assets are amortised over their years of useful life. When the useful life of these assets cannot be estimated reliably, they are amortized over a period of ten years.

Computer software

The Company recognises under "Computer Software" the costs incurred in the acquisition and development of computer programs, including website development costs. Computer software maintenance costs are recognised with a charge to the statement of profit or loss for the year in which they are incurred. Computer software is amortised on a straight-line basis over three or four years.

Impairment of intangible assets and property, plant and equipment:

At the end of each reporting period the Company analyses if there are any indications of impairment of its assets or cash-generating units to which it allocated goodwill or other intangible assets and, if there are, it tests the assets for impairment to determine whether the recoverable amount of the assets has been reduced to below their carrying amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use.

If an impairment loss has to be recognised for a cash-generating unit to which all or part of an item of goodwill has been allocated, the carrying amount of the goodwill relating to that unit is written down first. If the loss exceeds the carrying amount of this goodwill, the carrying amount of the other assets of the cash-generating unit is then reduced, on the basis of their carrying amount, down to the limit of the highest of the following values: fair value less costs of disposal; value in use; and zero.

Where an impairment loss subsequently reverses (not permitted in the specific case of goodwill), the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised as income.

4.2 Property, plant and equipment

Property, plant and equipment are initially recognised at acquisition or production cost and are subsequently reduced by the related accumulated depreciation and by any impairment losses recognised, as indicated in Note 4.1.

Property, plant and equipment upkeep and maintenance expenses are recognised in the statement of profit or loss for the year in which they are incurred. However, the costs of improvements leading to increased capacity or efficiency or to a lengthening of the useful lives of the assets are capitalised.

For non-current assets that necessarily take a period of more than twelve months to get ready for their intended use, the capitalised costs include such borrowing costs as might have been incurred before the assets are ready for their intended use and which have been charged by the supplier or relate to loans or other funds borrowed specifically or generally directly attributable to the acquisition or production of the assets.

In-house work on non-current assets is measured at accumulated cost (external costs plus in-house costs, determined on the basis of in-house materials consumption, direct labour and general manufacturing costs calculated using absorption rates similar to those used for the measurement of inventories).

The Company depreciates its property, plant and equipment by the straight-line method at annual rates based on the years ofestimated useful life of the assets, the detail being as follows:

	Depreciation rate
Buildings	3%
Plant and machinery	10 - 20%
Other fixtures, tools and furniture	10 - 15%
Other items of property, plant and equipment	10 - 33.3%

4.3 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases.

Finance leases

i. The Company acts as lessee

In finance leases in which the Company acts as the lessee, the cost of the leased assets is presented in the balance sheet, based on the nature of the leased asset, and, simultaneously, a liability is recognised for the same amount. This amount will be the lower of the fair value of the leased asset and the present value, at the inception of the lease, of the agreed minimum lease payments, including the price of the purchase option when it is reasonably certain that it will be exercised. The minimum lease payments do not include contingent rent, costs for services and taxes to be paid by and reimbursed to the lessor. The total finance charges arising under the lease are allocated to the statement of profit or loss for the year in which they are incurred using the effective interest method. Contingent rent is recognised as an expense for the period in which it is incurred.

Leased assets are depreciated, based on their nature, using similar criteria to those applied to the items of property, plant and equipment that are owned.

Operating leases

i. The Company acts as lessee

Expenses resulting from operating leases are charged to income in the year in which they are incurred.

A payment made on entering into or acquiring a leasehold that is accounted for as an operating lease represents prepaid lease payments that are amortised over the lease term in accordance with the pattern of benefits provided.

4.4 Financial instruments

4.4.1 Financial assets

Classification

The financial assets held by the Company are classified in the following categories:

a. Financial assets at amortised cost: includes financial assets, including those admitted to trading on an organised market, for which the Company holds the investment with the objective of receiving the cash flows arising from the performance of the contract, and the contractual terms of the asset give rise, at specified dates, to cash flows that are solely collections of principal and interest on the principal amount outstanding.

   They are generally included in this category:

   i) trade receivables: arising from the provision of services for trade transactions for which payment is deferred; and
   ii) Non-trade receivables: arising from loans or credits granted by the Company for which collections are determined or determinable.

b. Financial assets at cost: this category includes the following investments: (a) equity instruments of Group companies, jointly controlled entities and associates; (b) equity instruments whose fair value cannot be reliably determined, and derivatives underlying these investments; (c) hybrid financial assets whose fair value cannot be reliably estimated, unless the requirements for recognition at amortised cost are met; (d) contributions made in joint ventures and similar contracts; (e) participating loans with contingent interest; (f) financial assets that should be classified in the following category but whose fair value cannot be reliably estimated.

   Group companies are considered to be those related to the Company by a relationship of control, and associates are those over which the Company exercises significant influence. In addition, jointly controlled entities include companies over which, by virtue of an agreement, joint control is exercised with one or more partners.

Initial recognition

Financial assets are initially recognised at the fair value of the consideration given, plus any directly attributable transaction costs. However, transaction costs directly attributable to the assets recorded at fair value through profit or loss are recognised in the income statement for the year

In the case of investments in the equity of Group companies that give control over the subsidiary, the fees paid to legal advisors or other professionals related to the acquisition of the investment are charged directly to the income statement.

Subsequent measurement

Financial assets at amortised cost are carried at amortised cost and interest accrued using the effective interest method is taken to the profit and loss account.

Investments classified in category b) above are measured at cost less any accumulated impairment losses. These adjustments are calculated as the difference between the carrying amount and the recoverable amount, the latter being the higher of fair value less costs to sell and the present value of future cash flows from the investment. Unless there is better evidence of the recoverable amount of investments in equity instruments, the equity of the investee is taken into consideration, adjusted by the unrealised gains existing at the valuation date, net of the tax effect.

At least at year-end the Company performs an impairment test for financial assets that are not carried at fair value. Objective evidence of impairment is considered to exist if the recoverable amount of the financial asset is less than its carrying amount. When this occurs, the impairment loss is recognised in the income statement.

In particular, the Company calculates impairment losses on financial assets at amortised cost by performing an individual analysis of the accounts receivable, determining the solvency of each trade debtor and the recoverability of the debt.

The Company derecognizes financial assets when they expire or when the rights to the cash flows of the related financial asset have been transferred and substantially all the risks and rewards of ownership have been transferred, such as in firm asset sales, assignments of trade receivables in factoring transactions in which the company does not retain any credit or interest rate risk, sales of financial assets with repurchase agreements at fair value or securitizations of financial assets in which the assigning company does not retain subordinated financing or grant any type of guarantee or assume any other type of risk.

On the other hand, the Company does not derecognize financial assets, and recognizes a financial liability for an amount equal to the consideration received, in transfers of financial assets in which it substantially retains the risks and rewards of ownership, such as bill discounting, factoring with recourse, sales of financial assets with repurchase agreements at a fixed price or at the sale price plus interest, and securitizations of financial assets in which the transferor retains subordinated financing or other types of guarantees that absorb substantially all the expected losses. .

4.4.2 Financial liabilities

Financial liabilities assumed or incurred by the Company are classified as financial liabilities at amortised cost, which are loans and payables of the Company arising from the purchase of goods and services in the ordinary course of the Company's business, or those which, without having a commercial origin and not being derivative instruments, arise from loans or credit transactions received by the Company.

These liabilities are initially measured at the fair value of the consideration received, adjusted for directly attributable transaction costs. These liabilities are subsequently measured at amortised cost.

Assets and liabilities are presented separately in the balance sheet and are only presented at their net amount when the company has the enforceable right to set off the recognised amounts and, in addition, intends to settle the amounts on a net basis or to realise the asset and settle the liability simultaneously.

The Company derecognises financial liabilities when the obligations giving rise to them cease to exist.

At the end of 2025 and 2024 the Company did not have any derivative contracts.

4.4.3 Equity instruments

An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Equity instruments issued by the Company are recognised in equity at the proceeds received, net of issue costs.

4.5 Foreign currency transactions

The Company's functional currency is the euro. Therefore, transactions in currencies other than the euro are deemed to be “foreign currency transactions” and are recognised by applying the exchange rates prevailing at the date of the transaction.

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated to euros at the rates then prevailing. Any resulting gains or losses are recognised directly in the statement of profit or loss in the year in which they arise.

Non-monetary assets and liabilities whose valuation criterion is fair value and are denominated in foreign currency are translated at the rates prevailing at the date on which the fair value was determined. The gains or losses disclosed are recognized in equity or in profit or loss using the same criteria as for the recording of changes in fair value, as indicated in Note 4.4 on Financial Instruments.

4.6 Income tax

Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income).

The current income tax expense is the amount payable by the Company as a result of income tax settlements for a given year. Tax credits and other tax benefits, excluding tax withholdings and pre-payments, and tax loss carryforwards from prior years effectively offset in the current year reduce the current income tax expense.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences measured at the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carryforwards. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit (loss) nor taxable profit (tax loss).

Deferred tax assets are recognised to the extent that it is considered probable that the Company will have taxable profits in the future against which the deferred tax assets can be utilised.

Deferred tax assets and liabilities arising from transactions charged or credited directly to equity are also recognised in equity.

The deferred tax assets recognised are reassessed at the end of each reporting period and the appropriate adjustments are made to the extent that there are doubts as to their future recoverability. Also, unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that they will be recovered through future taxable profits.

4.7 Revenue and expense recognition-

Revenue and expenses are recognised on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises.

Revenue from the sale of goods and the rendering of services is measured at the monetary amount received or, where appropriate, at the fair value of the consideration received or expected to be received, which, unless there is evidence to the contrary, is the agreed price less any discounts, taxes and interest incorporated in the face value of receivables. The best estimate of the variable consideration is included in the measurement of revenue when its reversal is not considered highly probable.

Revenue is recognised when (or as) control over the committed goods or services is transferred to the customer.

Revenue recognised over time for goods or services for which control is not transferred at a point in time is measured by reference to the stage of completion at the balance sheet date, provided that reliable information is available to measure the stage of completion. Otherwise, revenue is recognised only to the extent of costs incurred that are reasonably expected to be recovered in the future.

Revenue from commitments that are performed at a specific point in time is recognised at that date, with the costs incurred up to that point in the production of the goods or services recognised as inventories.

Interest income from financial assets is recognised using the effective interest method and dividend income is recognised when the shareholder's right to receive payment has been established. Interest and dividends from financial assets accrued after the date of acquisition are recognised as income.

In relation to dividends received, any distribution from available reserves will be classified as a "profit distribution" transaction and, consequently, will give rise to the recognition of income in the shareholder, provided that, since the date of acquisition, the subsidiary or any group company in which it has an interest has generated profits in excess of the shareholders' equity to be distributed. The criteria for considering whether profits have been generated by the subsidiary shall be based exclusively on the profits recorded in the individual profit and loss account since the date of acquisition, unless it is clear that the distribution out of these profits must be considered as a recovery of the investment from the perspective of the entity receiving the dividend.

The notes to the financial statements should include information about the assumptions made in relation to the recognition of dividends in these cases

4.8 Provisions and contingencies

When preparing the financial statements, the Company's directors made a distinction between:

a. Provisions: credit balances covering present obligations arising from past events with respect to which it is probable that an outflow of resources embodying economic benefits that is uncertain as to its amount and/or timing will be required to settle the obligations; and

b. Contingent liabilities: possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the Company's control.

The financial statements include all the provisions with respect to which it is considered that it is more likely than not that the obligation will have to be settled. Contingent liabilities are not recognised in the financial statements, but rather are disclosed, unless the possibility of an outflow in settlement is considered to be remote.

Provisions are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation, taking into account the information available on the event and its consequences. Where discounting is used, adjustments made to provisions are recognised as interest cost on an accrual basis.

The compensation to be received from a third party on settlement of the obligation is recognised as an asset, provided that there are no doubts that the reimbursement will take place, unless there is a legal relationship whereby a portion of the risk has been externalised as a result of which the Company is not liable; in this situation, the compensation will be taken into account for the purpose of estimating the amount of the related provision that should be recognised.

4.9 Termination benefits

Under current legislation, the Company is required to pay termination benefits to employees terminated under certain conditions. Therefore, termination benefits that can be reasonably quantified are recognised as an expense in the year in which the decision to terminate the employment relationship is taken. A provision of 156 thousand euros has been registered in the accompanying financial statements for this item.

4.10 Environmental assets and liabilities

Environmental assets are deemed to be assets used on a lasting basis in the Company's operations whose main purpose is to minimise environmental impact and protect and improve the environment, including the reduction or elimination of future pollution.

It was not considered necessary to recognise any provisions for environmental contingencies and charges, since there are no contingencies relating to the protection of the environment.

4.11 Related party transactions

The Company performs all its transactions with related parties on an arm's length basis. Also, the transfer prices are adequately supported and, therefore, the Company's directors consider that there are no material risks in this connection that might give rise to significant liabilities in the future.

For balance sheet presentation purposes, the direct or indirect subsidiaries of TVS Supply Chain Solutions, Pte, Ltd. are considered to be Group companies and the associates of the subsidiaries of TVS Supply Chain Solutions, Pte, Ltd. are considered to be associates.

4.12 Current/Non-current classification

Current assets are assets associated with the normal operating cycle, which in general is considered to be one year; other assets which are expected to mature, be disposed of or be realised within twelve months from the end of the reporting period; financial assets held for trading, except for financial derivatives that will be settled in a period exceeding one year; and cash and cash equivalents. Assets that do not meet these requirements are classified as non-current assets.

Similarly, current liabilities are liabilities associated with the normal operating cycle, financial liabilities held for trading, except for financial derivatives that will be settled in a period exceeding one year; and, in general, all obligations that will mature or be extinguished at short term. All other liabilities are classified as non-current liabilities.

5. Intangible assets

The changes in “Intangible Assets” in the balance sheet in 2025 and 2024 were as follows:

2025

	Euros	
	Computer Software	Total
At 31 March 2024		
Cost	16,520	16,520
Accumulated amortization	(16,520)	(16,520)
Carrying amount	**0**	0
Beginning carrying amount	0	0
Additions	6,821	6,821
Disposals	0	0
Amortization charge	(1,270)	0
Amortization associated at disposals	0	0
Ending carrying amount	**5,551**	**0**
At 31 March 2025		
Cost	23,341	23,341
Accumulated amortization	(17,790)	(17,790)
Carrying amount	5,551	5,551

2024

	Euros	
	Computer Software	Total
At 31 March 2023		
Cost	16,520	16,520
Accumulated amortization	(16,520)	(16,520)
Carrying amount	**0**	**0**
Beginning carrying amount	0	0
Disposals	0	0
Amortization charge	0	0
Amortization associated at disposals	0	0
Ending carrying amount	**0**	**0**
At 31 March 2024		
Cost	16,520	16,520
Accumulated amortization	(16,520)	(16,520)
Carrying amount	**0**	**0**

Additions and disposals in 2025 and 2024

During the financial year 2025 the Company has recorded additions for a cost of 6,821 euros. No disposals during the financial year 2025.

Fully amortised intangible assets

At 31 March 2025 and 2024, the Company had fully amortised intangible assets amounting to EUR 16,520.

6. Property, plant and equipment

The changes in "Property, Plant and Equipment" in the balance sheet in 2025 and 2024 were as follows:

2025

	Euros					
	Plant	Furniture	Computer Hardware	Transport Equipment	Other items of property, plant and equipment	Total
At 31 March 2024						
Cost	497,778	250,591	378,323	286,919	80,171	1,493,782
Accumulated amortization	(454,265)	(246,834)	(328,882)	(254,521)	(74,537)	(1,359,039)
Carrying amount	**43,513**	**3,757**	**49,441**	**32,398**	**5,634**	**134,743**
Beginning carrying amount	43,513	3,757	49,441	32,398	5,634	134,743
Additions	221,791	34,011	6,862	0	30,633	293,297
Disposals	(29,424)	(227,691)	(281,801)	0	(52,223)	(591,138)
Amortization charge	(19,791)	(3,669)	(22,947)	(6,448)	(3,396)	(56,251)
Amortization associated at disposals	25,431	227,690	281,801	0	49,138	584,060
Ending carrying amount	241,522	34,097	33,356	25,949	29,787	364,710
At 31 March 2025						
Cost	690,145	56,911	103,384	286,920	58,582	1,195,942
Accumulated amortization	(448,624)	(22,814)	(70,028)	(260,971)	(28,795)	(831,232)
Carrying amount	**241,522**	**34,097**	**33,356**	**25,949**	**29,787**	**364,710**

2024

	Euros					
	Plant	Furniture	Computer Hardware	Transport Equipment	Other items of property, plant and equipment	Total
At 31 March 2023						
Cost	489,185	249,845	378,323	286,919	80,171	1,484,443
Accumulated amortization	(450,356)	(244,240)	(305,330)	(248,047)	(71,457)	(1,319,430)
Carrying amount	**38,829**	**5,605**	**72,993**	**38.872**	**8,714**	**165,013**
Beginning carrying amount	38,829	5,604	72,993	38,872	8,715	165,013
Additions	8,593	746	-	-	-	9,339
Disposals	-	-	-	-	-	-
Amortization charge	(3,909)	(2,594)	(23,552)	(6.474)	(3,080)	(39,609)
Amortization associated at disposals	-	-	-	-	-	-
Ending carrying amount	45,314	(1,842)	(23,479)	(6,435)	(3,071)	135
At 31 March 2024						
Cost	497,778	250,591	378,323	286,919	80,171	1,493,782
Accumulated amortization	(454,265)	(246,834)	(328,882)	(254,521)	(74,537)	(1,359,039)
Carrying amount	**43,513**	**3,757**	**49,441**	**32,398**	**5,634**	**134,743**

Additions and disposals in 2025 and 2024

The additions in 2025 and 2024 mainly corresponded mainly in warehouse installations and furniture purchases.

During the financial year 2025 there were disposals of fixed assets with a gain of 12,229 euros.

The Company has no firm purchase and/or sale commitments.

Fully depreciated property, plant and equipment

	Euros	
	FY2025	**FY2024**
Plant	24,529	461,861
Furniture	18,833	228,489
Computer Hardware	8,360	288,488
Transport equipment	215,950	215,850
Other items of property, plant and equipment	-	56,975
Total	**284,092**	**1,251,663**

During the year 2025 the Company has changed its registered office and has therefore taken the opportunity to derecognise the fixed assets that were no longer in use.

Insurance

The Company takes out all the insurance policies considered necessary to cover the possible risks to which its property, plant and equipment might be subject. Directors consider that the contracted coverages are sufficient at year-end 2025 and 2024.

7. Leases

7.1 Finance leases - as lessee

At year-end 2025 and 2024 the Company has no finance leases.

7.2 Operating leases - as lessee

At the end of 2025 and 2024 the Company had contracted with lessors for the following minimum lease payments, based on the leases currently in force, without taking into account the charging of common expenses, future increases in the CPI or future contractual lease payment revisions:

Minimum operating Lease payments	Euros	
	2025	2024
Within one year	1,045,000	511,523
More than one year	1,842,149	101,094
Total	**2,887,149**	**612,617**

The operating lease expenses in 2025 amounted to EUR 1,123,261 (2024: EUR 1,049,821).

The main lease contracts held by the Company at 31 March 2025 relate to the lease of three warehouses located in the Pratense Industrial Estate, one of which is used as an office and whose contract was signed in 2024 and expires in 2030.

The Company also has its own leased offices in Barcelona Airport, Valencia, Madrid and Malaga, as well as car and office equipment rentals.

8. Financial assets

8.1 Breakdown by valuation category of financial assets

The carrying amounts of "Current and non-current Financial Assets", " Current investments in Group companies and associates " and "Trade and other receivables " are classified for valuation purposes into the following categories at year-end 2025 and 2024:

	Euros			
	Non - current		Current	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024
Financial Assets at Cost:				
Equity Instruments	-	-	13,882	6,480
Financial assets at amortised cost				
Other financial assets:				
Deposits and guarantees	117,618	132,737	11,283	11,283
Other	-	-	5,000	5,000
Trade receivables for sale and services (note 8.3)	-	-	16,553,728	15,267,515
Total	**117,618**	**132,737**	**16,583,893**	**15,290,277**

At 31 March 2025, the Company had provided long-term guarantees amounting to EUR 117,618 (31 March 2024: EUR 132,737). The current balance recognised in this connection at 31 March 2025 was EUR 11,283 (31 March 2024: EUR 11,283). These guarantees are provided mainly to lessees of industrial buildings and parking spaces.

8.2 Investments in Group companies and associates

At year-end 2025 and 2024, the Company does not hold any investments with group companies-

8.3 Trade and other receivables

The detail of "Current Assets - Trade and Other Receivables" in the accompanying balance sheets as at 31 March 2025 and 2024 is as follows:

	Euros	
	31/03/2025	31/03/2024
Trade receivables for sales and services	15,787,360	14,388,430
Invoices to be issued	1,574,742	1,767,649
Allowance for doubtful debts (impairment loss)	(986,336)	(965,775)
Trade receivables third parties	**16,375,767**	**15,190,303**
Trade receivables Group companies and associates (Note 15.2)	150,218	70,174
Sundry debtors	25,520	5,012
Personnel	2,000	2,000
Accounts receivable from public authorities (Note 12)	223	25
Other receivables	**177,961**	**77,212**
Total Trade and other receivables	**16,553,728**	**15,267,515**

Trade and other receivables are stated at amortised cost, which does not significantly differ from nominal value.

At 31 March 2025 and 2024, "Trade Receivables for Sales and Services" did not have any significant past-due balances that had not been provisioned. Also included are balances receivable for duties paid on behalf of the customers.

The item " Clients" includes "Invoices to be issued" corresponding to executed services pending invoicing to clients at 31 March 2025 and 2024 for a net amount of Euros 1,575 thousand and Euros 1,768 thousand, respectively. This unbilled executed service corresponds to the valuation at selling price of services rendered but not invoiced pending completion of the same, for which the Company's management considers that there is reasonable certainty as to their final invoicing. These contractual assets become receivable as the customer is invoiced. The balance of contract assets at year-end 2025 is expected to be invoiced in 2026.

Provision for doubtful debts (impairment loss)

The changes in the write-downs of trade receivables were as follows:

	Euros	
	31/03/2025	31/03/2024
Opening Balance	**965,775**	**1,361,273**
Reserve for new bad debts	45,003	111,290
Recovery from bad debts from previous years	(13,621)	(474,575)
Write-off of provision for definitive losses	(14,630)	(32,213)
Ending Balance	**982,526**	**965,775**

The recognition and reversal of impairment losses on trade receivables were included under "Losses on and Write-down of Trade Receivables and Changes in Provisions for Commercial Transactions" in the accompanying statement of profit or loss. During 2025, an amount equivalent to 12,446 euros have been collected from the customer Reby Rides and 1,176 euros from the customer Groc Internacional S.L. Both amounts were impaired in the balance sheet at March 31, 2024, and therefore the provision for bad debts has been reduced by that amount. However, the Company has impaired the assets received as payment in kind by recognizing the same amount as an expense under “Other operating expenses” under “other current operating expenses” in the Profit and Loss Statement.

The maximum exposure to credit risk at the reporting date is the fair value of each category of accounts receivable indicated above. The Company does not have any guarantees securing the receivables.

8.4 Information about nature and level of risk of financial instruments

The Company's financial risk management is centralised in the Finance Department, which has the necessary mechanisms in place to control exposure to interest rate and exchange rate fluctuations, as well as credit and liquidity risks. The main financial risks affecting the Company are set out below:

a. Credit risk:

Credit risk arises from cash and guarantees and deposits with financial institutions, as well as from debtors or other payables, including outstanding receivables and committed transactions.

In relation to banks and financial institutions, transactions are only entered into with financial institutions of proven creditworthiness, recognised by international rating agencies. This creditworthiness, expressed by the rating categories of each institution, is reviewed periodically in order to ensure active counterparty risk management.

In addition, it should be noted that there is no significant concentration of credit risk with third parties at year-end 2025 and 2024.

Non-performing or impaired assets

The carrying amount less accumulated impairment losses is equivalent to the maximum credit risk exposure and coincides with the net carrying amount of all financial assets held by the Company.

Details of the ageing of financial assets with past due amounts and impairment losses are as follows:

	Euros			
	31/03/2025		31/03/2024	
	Carrying amount	Accumulated Impairment allowance	Carrying amount	Accumulated Impairment allowance
Amount not past due				
Amount past due unpaid:				
Less than 90 days	323,368	(11,975)	70,957	699
Between 90 and 180 days	235,648	42,689	3,732	67
Between 180 and 360 días	25,084	5,411	127,063	127,063
Over 360 days	991,892	946,401	839,685	837,946
Total	**1,575,992**	**982,526**	**1,041,437**	**965,775**

The carrying amounts of recorded financial assets and financial liabilities are an acceptable approximation of fair value.

b. Liquidity risk:

In order to ensure liquidity and to be able to meet all payment commitments arising from its activity, the Company has the cash and cash equivalents shown in its balance sheet. It also has the financial support of the Group's parent company (note 15.2).

In this respect, all of the Company's financial liabilities mature in 2026.

The Company's financial assets mature in 2025, except for long-term financial investments which mature mainly in 2026 as they are guarantees related to the lease contract (Note 7.2).

c. Market risk:

With respect to foreign exchange risk, this is mainly concentrated on the receipt and provision of services abroad, the main currency in which it works is the US dollar. Given the volume of foreign transactions, the exchange rate risk is not significant.

9. Equity and shareholders' equity

9.1 Share capital

At 31 March 2025 and 2024, the Company's share capital amounted to EUR 3,588,009 and was represented by 204,912 fully subscribed and paid shares of EUR 17.51 par value each, all of the same class. TVS Supply Chain Solutions Pte, Ltd. held all the Company's share capital at 2025 year-end. The Company is, therefore, a sole shareholder company.

9.2 Legal reserve

Under the Spanish Limited Liability Companies Law, the Company must transfer 10% of net profit for each year to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

At 31 March 2025 and 2024, the balance of this reserve had reached the legally required minimum.

9.3 Other reserves

These are unrestricted voluntary reserves. However, dividends may not be distributed with a charge to these reserves if the value of equity is lower than, or as a result of the distribution falls below, that of the share capital.

10. Current and non-current payables

10.1 Breakdown by valuation category of financial liabilities

The detail of "Current Payables" and "Non-Current Payables" at 31 March 2025 and 2024 is as follows:

	Euros			
	Non-current		Current	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024
Financial liabilities at amortised cost				
Other financial liabilities	854	854	-	-
Trade and other payables	-	-	16,326,856	13,310,979
Total	**854**	**854**	**16,326,856**	**13,310,979**

The current and non-current payables accrued, based on the payment schedules set out in the agreements entered into with banks, are as follows:

2025

	Euros			
	2026	2027	2028 and subsequent years	Total
Other financial liabilities			854	**854**

2024

	Euros			
	2025	2026	2027 and subsequent years	**Total**
Other financial liabilities			854	**854**

10.2 Disclosures on the average period of payment to suppliers

Set forth below are the disclosures required by Additional Provision Three of Law 15/2010, of 5 July (amended by Final Provision Two of Law 31/2014, of 3 December), prepared in accordance with the Spanish Accounting and Audit Institute (ICAC) Resolution of 29 January 2016 on the disclosures to be included in notes to financial statements in relation to the average period of payment to suppliers in commercial transactions

	2025	2024
	Days	
Average period of payment to vendors	27	29
Ratio of transactions settled	28	30
Ratio of transactions not yet settled	16	26
	Euros	
Total payments made	66,501,959	34,973,086
Total payments outstanding	8,272,233	4,830,502

In accordance with the ICAC Resolution, the average period of payment to suppliers was calculated by taking into account the commercial transactions relating to the supply of goods or services for which payment has accrued in each financial year

For the sole purpose of the disclosures provided for in the Resolution, suppliers are considered to be the trade creditors for the supply of goods or services included in “Payable to Suppliers and Sundry Accounts Payable" under "Current Liabilities" in the balance sheet. The total trade balances include the amounts paid to the Tax Agency on behalf of customers, which amounted to approximately EUR 74 million in 2025 (39 million in 2024) and have no effect on the accompanying income statement.

“Average period of payment to suppliers” is taken to be the period that elapses from the delivery of the goods or the provision of the services by the supplier to the effective payment of the transaction.

The maximum legal payment period applicable to the Company in 2025 according to Law 3/2004, of 29 December, which establishes measures to combat late payment in commercial transactions, is 60 days.

Set forth below are the disclosures of monetary amount any number of invoices paid into de legal term.

	2025	2024
Monetary volume (thousands of euros)	61,488,443	32,194,437
Percentage of total payments made	92,4%	92,1%
Number of invoices	31,802	23,819
Percentage of total invoices	81,7%	80,70%

Most of the payments over 60 days correspond to invoices received from foreign agents, many of whom are also customers.

11. Tax matters

11.1 Current tax receivables and payables

The detail of the current tax receivables and payables is as follows:

Tax receivables

	Euros	
	31/03/2025	31/03/2024
Tax withholdings and pre-payments	223	25
Ending Balance	**223**	**25**

Tax payables

	Euros	
	31/03/2025	31/03/2024
Accrued social security taxes payable	130,731	127,833
Personal income tax withholdings payable	78,578	77,591
VAT payable	55,341	118,860
Provision for Corporate Tax	-	-
Ending Balance	**264,651**	**324,284**

11.2 Reconciliation of the accounting profit (loss) to the taxable profit (tax loss)

The reconciliation of the accounting profit (loss) to the taxable profit (tax loss) for income tax purposes is as follows:

2025

	Euros		
	Profit and loss account		
	Increase	Decrease	Total
Net profit for the year			(1,119,552)
Corporate Tax expense			523,383
Permanent differences	10,480		10,480
Temporary differences			
Arising in financial year	33,816	(85,565)	(51,749)
Corporate Tax base (tax profit)			(637,438)

2024

	Euros		
	Profit and loss account		
	Increase	Decrease	Total
Net profit for the year			(899,079)
Corporate Tax expense			(279,568)
Permanent differences	60,374		60,374
Temporary differences			
Arising in financial year	9,580	(285,819)	(276,239)
Corporate Tax base (tax profit)			**(835,376)**

In 2025 and 2024 the company has got negatives tax losses carryforwards which will be utilized with benefits of future periods.

Permanent differences mainly relate to non-deductible management fees provided by group companies.

Temporary differences mainly relate to non-deductible provisions and the depreciation limit for the years 2013 and 2014.

11.3 Reconciliation of the accounting profit (loss) to the income tax expense (benefit)

The reconciliation of the accounting profit or loss to the income tax expense is as follows:

	Euros	
	31/03/2025	31/03/2024
Profit (Loss) before taxes	(596,169)	(1,178,647)
Theoretical tax charge (25%)	0	294,662
Effect on the tax expense of (permanent differences):		
Non-deductible expenses	(12,937)	15,094
Income tax (expense) benefit for the year	**(12,937)**	**309,756**
Other tax effects		(30,188)
Previous years adjustments	(510,446)	
Ending Balance	**(523,383)**	**279,568**

The tax withholdings and pre-payments made at 31 March 2025 amounted to EUR 223 (31 March 2024: EUR 25).

11.4 Breakdown of income tax (expense) benefit

The breakdown of the income tax (expense) benefit is as follows:

	Euros	
	31/03/2025	31/03/2024
Current tax		
Previous years adjustments	-	-
Deferred tax	523,383	(279,568)
Total	**523,383**	**(279,568)**

11.5 Deferred tax assets and liabilities recognised

The detail of the deferred tax assets and liabilities at 31 March 2025 and 2024 is as follows:

	Euros	
	31/03/2025	31/03/2024
Tax loss carryforwards:		
Generated in 2021		161,818
Generated in 2024		348,628
Temporary differences:		
Limitation fixed assets amortisation	0	2,269
Provisions	17,049	36,171
Total deferred tax assets	**17,049**	**548,886**
Deferred tax liabilities:		
Finance lease transactions	26,347	34,801
Total deferred tax liabilities	**26,347**	**34,801**

The deferred tax assets indicated above were recognized because the Company's directors considered that, based on their best estimate of the Company's future earnings, including certain tax planning measures, it is probable that these assets will be recovered.

At year-end 2025 and 2024 there are no tax loss carryforwards or unused tax credits to be offset

11.6 Years open for review and tax audits

Under current legislation, taxes cannot be deemed to have been definitively settled until the tax returns filed have been reviewed by the tax authorities or until the four-year statute-of-limitations period has expired. At 31 March 2025, the Company had all years since 2020 open for review for income tax and all years since 2021 open for review for the other taxes applicable to it.

The Company's directors consider that the tax returns for the aforementioned taxes have been filed correctly and, therefore, even in the event of discrepancies in the interpretation of current tax legislation in relation to the tax treatment afforded to certain transactions, such liabilities as might arise would not have a material effect on the accompanying financial statements.

12. Foreign currency balances and transactions

The detail of the most significant balances and transactions in foreign currency, translated to euros at the year-end exchange rates and the average exchange rates for the year, respectively, is as follows:

	Euros	
	2025	**2024**
Cash	71,048	35,503
Accounts receivable	418,081	387,995
Accounts payable	4,165,699	975,442
Revenue	3,027,703	2,576,106
Costs	13,097,766	6,441,559

Revenue in foreign currencies during the year were mainly in U.S. dollars and Japanese yens. Additionally, procurement have been made in several currencies, mainly U.S. dollars and Singapore dollars.

13. Income and expenses

13.1 Revenue

The breakdown, by geographical market, of the revenue for 2025 and 2024 is as follows:

	Euros	
	2025	2024
Spain	59,316,097	37,427,943
Europe	3,984,083	2,969,754
Rest of the world	2,560,259	2,409,082
Total Revenue	**65,860,439**	**42,806,779**

"Revenue" in the accompanying statement of profit or loss includes mainly the income obtained for the integrated logistics services described in Note 1.

Tipo de actividad	Euros	
	2025	2024
Air Freight Forwarding	7,767,191	4,762,272
Ocean Freight Forwarding	51,098,219	31,977,424
Road Freight Forwarding	3,335,320	3,276,037
Logistics services	2,897,284	2,142,685
Other services	762,425	648,361
Total Revenue	**65,860,439**	**42,806,779**

Revenue from services rendered in 2025 includes 1,553 thousand euro (1,761 thousand euro in 2024) corresponding to services rendered that have not been invoiced at year-end, so that the accompanying balance sheet at 31 March 2025 presents a contractual asset for this amount (Note 8.3).

13.2 Procurement

The amount recorded under "Procurements" in 2025 and 2024 in the accompanying profit and loss account refers to the costs associated with the revenues from the services rendered by the Company as freight forwarder. That is, all those costs mainly associated with the services of management, mediation and coordination of the international transport of goods, as well as the administrative operations and customs formalities related to it.

13.3 Staff costs

The detail of "Staff Costs" is as follows:

	Euros	
	2025	2024
Wages and salaries	5,221,288	4,455,641
Severances	7,850	282,015
Social security contributions	1,165,721	1,271,031
Other employee benefit costs	131,242	91,348
Staff costs	**6,526,101**	**6,100,035**

The average number of employees, by gender and category, in 2025 and 2024 was as follows:

	2025			**2024**		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**
High management	2	2	4	3	3	6
Middle management and clerical staff	46	46	92	42	43	85
Drivers	4	-	4	4	-	4
Storemen	6	-	6	7	-	7
Total	**58**	**48**	**106**	**56**	**46**	**102**

Also, the Company's headcount at 31 March 2025 and 2024, by gender and category, was as follows:

	2025			**2024**		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**
High management	2	2	4	3	2	5
Middle management and clerical staff	48	45	93	42	43	85
Drivers	4	-	4	4	-	4
Storemen	6	-	6	7	-	7
Total	**60**	**47**	**107**	**56**	**45**	**101**

At the end of the financial years 2025 and 2024 the Board of Directors is composed of three Directors, two men and one woman, but at the date of preparation of these annual accounts, due to the resignation of one of them, it is composed of two Directors, one man and one woman.

During the financial year 2025 the Company has 1 person employed with a disability of 33% or more, while in the financial year 2024 there were 2 persons employed with a disability of 33% or more.

13.4 Other operating expenses

The detail of “Other Operating Expenses” in the statement of profit or loss is as follows:

Type of activity	Euros	
	2025	**2024**
Rent and royalties (note 7)	1,123,261	1,049,821
Repairs and maintenance	48,144	45,624
Independent professional services	606,454	880,033
Insurance	158,577	188,645
Utilities	288,596	283,348
Other operating expenses	2,020,967	1,646,156
Taxes other than income tax	15,629	16,254
Losses on and write-down of trade receivables and changes in reserve for bad debts (note 8.3)	(18,949)	(363,285)
Other current operating expenses	31,381	357,268
Total Other operating Expenses	**4,274,061**	**4,103,865**

14. Related party transactions and balances

14.1 Related party transactions

The detail of the transactions with related parties in 2025 and 2024 is as follows:

2025

	Euros	
	Income	Expense
	Service rendered	Service received
TVS SCS Logistics Ltd Beijing	2,050	57,460
TVS SCS Logistics (Thailand) Ltd	23,688	21,627
TVS SCS Logistics Ltd Guangzhou	4,092	661,201
TVS SCS Deutschland GMBH	77,907	4,790
TVS SCS Hong Kong Ltd	-	866,056
TVS SCS Malaysia Sdn Bhd	(6,098)	25,129
TVS SCS (Korea) Ltd	(3,678)	17,163
TVS SCS Vietnam Company Ltd	192	106,985
TVS SCS Singapore Ltd	11,489	2,506,704
PT. TVS SCS Indonesia	(6,452)	1,283
TVS SCS Taiwan Ltd	-	119,105
TVS SCS (Aust) Pty. Ltd	57,768	47,633
TVS SCS New Zealand Ltd	823	-
TVS SCS LOGISTICS LTD	29,850	1,719,531
TVS Supply Chain Solutions Pte. Ltd.	146,563	1,641,046
TVS SCS Logistics Ltd Ningbo	-	189,884
TVS SCS Logistics Ltd Shenzen	-	156,288
TVS SCS Logistics Ltd Tianjin	-	8,247
Ricochet Spain SLU	30,186	-
TVS SCS Global Freight Solutions Ltd	142.391	627,104
TVS Logistics Iberia SL	181.745	400,976
TVS SCS Rico Italia SRL	8.302	3,847
TVS SCS PHILIPPINES CORPORATION	280	-
TVS SCS Logistics Ltd Ningbo	656	-
TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA INC	883	-
Total	**702,634**	**9,182,059**

2024

	Euros	
	Income	Expense
	Service rendered	Service received
TVS SCS Logistics Ltd Beijing	-	32,560
TVS SCS Logistics (Thailand) Ltd	55,499	7,171
TVS SCS Logistics Ltd Guangzhou	2,945	264,240
TVS SCS Deutschland GMBH	1,817	4,021
TVS SCS Hong Kong Ltd	77	388,910
Pan Asia Logistics Indonesia	-	429
TVS SCS Malaysia Sdn Bhd	1,750	677
TVS SCS (Korea) Ltd	9,244	27,154
TVS SCS Vietnam Company Ltd	-	15,145
TVS SCS Logistics Ltd (Shanghai)	11,719	217,995
TVS SCS Singapore Ltd	15,999	993,303
PT. TVS SCS Indonesia	207	1,978
TVS SCS Taiwan Ltd	(704)	29,984
TVS SCS (Aust) Pty. Ltd	14,941	16,693
TVS SCS New Zealand Ltd	-	1,481
Transtar International Freight Ltd (Shanghai)	(26,894)	-
Transtar International Freight Ltd (Shenzen)	(39,624)	-
TVS Supply Chain Solutions Pte. Ltd.	69,621	897,694
TVS SCS Logistics Ltd Ningbo	(17,894)	18,183
TVS SCS Logistics Ltd Shenzen	(17,851)	109,783
TVS SCS Logistics Ltd Tianjin	-	5,052
Ricochet Spain SLU	41,492	-
TVS SCS Global Freight Solutions Ltd	133,279	341,711
TVS Logistics Iberia SL	97,286	-
TVS SCS Rico Italia SRL	937	143,765
Total	**353,846**	**3,517,929**

The Company signs an annual contract with its Sole Shareholder for management fees, the amount of which for 2025 was 1,217,392 euros (1,008,316 in 2024). The rest of the services received by group companies refer to services related to the Company's operations.

The Company carries out all its transactions with related parties at market values. In addition, the Company's directors consider that the transfer prices are adequately supported, and therefore there are no significant risks in this respect that could give rise to significant liabilities in the future.

14.2 Related party balances

The detail of the on-balance sheet balances with related parties is as follows:

2025

	Euros	
	Assets	Liabilities
	Account receivable	Account payable
TVS SCS Logistics Ltd Beijing	-	7,865
TVS SCS Logistics (Thailand) Ltd	(5,225)	55
TVS SCS Logistics Ltd Guangzhou	1,275	83,981
TVS SCS Deutschland GMBH	15,804	(1,745)
TVS SCS Hong Kong Ltd	-	55,452
TVS SCS Malaysia Sdn Bhd	(6,624)	1,547
TVS SCS (Korea) Ltd	(5,304)	4,920
TVS SCS Vietnam Company Ltd	-	27,534
TVS SCS Singapore Ltd	(331)	384,549
PT. TVS SCS Indonesia	(6,679)	314
TVS SCS Taiwan Ltd	-	98,357
TVS SCS (Aust) Pty. Ltd	-	13,970
TVS SCS New Zealand Ltd	198	-
TVS Supply Chain Solutions Pte. Ltd.	85,762	1,462,992
TVS SCS Logistics Ltd Ningbo	-	15,980
TVS SCS Logistics Ltd Shenzen	-	25,865
TVS SCS Logistics Ltd Tianjin	-	55
Ricochet Spain SLU	5,980	-
TVS SCS Global Freight Solutions Ltd	48,118	42,473
TVS Logistics Iberia SL	7,495	89,119
TVS SCS Rico Italia SRL	(108)	3,324
TVS SCS LOGISTICS LTD	9,728	1,227,198
TVS SCS PHILIPPINES CORPORATION	280	-
TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA INC	(150)	-
Total	**150,218**	**3,543,807**

2024

	Euros	
	Assets	Liabilities
	Account receivable	Account payable
TVS SCS Logistics Ltd Guangzhou	400	93,687
TVS SCS Logistics Ltd (Shanghai)	889	30,553
TVS SCS Logistics Ltd Shenzen	-	18,386
TVS SCS Logistics Ltd Ningbo	-	5,221
TVS SCS Logistics Ltd Tianjin	-	949
TVS SCS Logistics Ltd Beijing	-	7,724
TVS SCS Hong Kong Ltd	-	15,928
TVS SCS (Korea) Ltd	-	3,852
TVS SCS Singapore Ltd	350	954,285
TVS SCS Taiwan Ltd	-	1,640
TVS SCS Logistics (Thailand) Ltd	3,991	
TVS SCS Vietnam Company Ltd	-	2,180
TVS SCS (Aust) Pty. Ltd	-	695
TVS Supply Chain Solutions Pte. Ltd.	11,920	71,422
TVS SCS Global Freight Solutions Ltd	39,670	81,057
TVS Logistics Iberia SL	3,293	-
Ricochet Spain SLU	9,661	-
TVS SCS Rico Italia SRL	-	2,115
Total	**70,174**	**1,289,692**

14.3 Remuneration of directors and senior executives

In 2025, senior management received remuneration amounting to 489,213 euros. The remuneration of these executive positions in 2024 was EUR 726,504.

The directors did not receive any remuneration in financial years 2025 and 2024. In 2025 and 2024 the directors' remuneration amounted to EUR 145,519 and EUR 157,648, respectively.

In 2025 and 2024 the senior executives and directors were not granted any advances or loans and no guarantee commitments were assumed on their behalf.

The Company's group has taken out a third-party liability insurance policy for directors and executives for the members of the Board of Directors and the senior executives.

14.4 Information regarding situations of conflict of interest involving the directors

At 2025 year-end, the members of the Board of Directors of TVS SCS International Freight (Spain), S.L. (Sole-Shareholder Company) had not notified the other members of the Board of any direct or indirect conflict of interest that they,or any persons related to them as defined in the Spanish Limited Liability Companies Law, might have with theCompany.

14.5 Contracts with the sole-shareholder

The Company does not have any agreements with the sole-shareholder, in addition to those described un notes 17.1 and 17.2.

15. Information on the environment

In the area of social responsibility, in recent years the Company has implemented measures aimed at reducing the environmental impact of its operations. In 2016 it opted to systematize the environmental aspects arising from its activities and implemented an environmental management system which in 2017 received environmental protection certification under the UNE-EN-ISO 14.001 international standard. Since then, the follow-up audits have deemed the Company to be in compliance with this standard.

Every year, measures aimed at environmental improvement have been adopted:

- Participation in the CSR project promoted by the Port of Barcelona.

- Obtaining GDP certification (storage and distribution of chemical material), as prevention of risks which affect environment.

- Training in storage and handling of chemical products. Contingency for spills affecting the environment.

For calendar year 2025, the following objectives are being worked on:

	TARGET	ACTIONS
Reduction of consumption	Reduce paper copies per service	Reading by radio frequency devices avoiding paper printouts
		Digitisation: electronic archiving of documentation
	Reducing electricity consumption	Replacement of lighting to LEDs (extension of zones)
	Reducing diesel consumption of the vehicle fleet	Subcontracting services with sustainable fleet
		Driver training: efficient driving
Residues	Reducing plastic consumption	Install osmosis equipment for water supply, avoiding the consumption of plastic bottles.
Sustainable supplies	Sustainable electricity supply contracting	100% renewable sources
Carbon Footprint	Carbon footprint reduction. MITECO GHG Improvement Plan	Footprint reduction through the use of more sustainable systems
Continuous improvement	Expanding and maintaining awareness among staff	Training, circulars, suggestions on issues and sustainability
		Participation in the Port de Barcelona sustainability project

For calendar year 2024, company works on the following objectives:

	TARGET	ACTIONS
Carbon footprint	Carbon footprint reduction. MITECO GEI Improvement Plan	Footprint reduction through the use of more sustainable systems
Consumption reduction	Reduce paper copies per service	Redesigns of forms (transport waybill - from 2 to 1 sheet -)
		Implement e-air waybill project in collaboration with IATA (electronic documentation in air cargo)
		Digitization: electronic archiving of documentation
	Reduce electricity consumption	Substitution of led lighting (expansion of areas)
		Photovoltaic energy installation (solar energy storage panels)
	Reducing diesel consumption of the fleet of vehicles	Subcontracting services with sustainable fleet
		Driver training: efficient driving
Sustainable supplies	Sustainable electricity supply contracting	100% renewable sources
Ecological procurement	Increasing recycled film for use in shrink wrapping	Purchase of material that meets these conditions. Check quality - Certification of the material
Continuous improvement	Extend and maintain awareness among staff	Training, circulars, suggestions on environmental and sustainability issues.
		Participation in sustainability project Port of Barcelona

16. Other disclosures

16.1 Fees paid to auditors

In 2025 and 2024 the fees for financial audit and other services provided by the Company's auditor, Deloitte, S.L, or by companies related to the auditor as a result of a relationship of control,common ownership or common management, were as follows:

Services provided by the auditors or by companies related thereto	Euros	
	2025	**2024**
Audit services	22,000	37,800
Total audit and related services	**22,000**	**37,800**
Other services	-	45,400
Total professional services	-	**45,400**

16.2 Amendment or termination of agreements

No contract between the Company and its Directors or persons acting on their behalf has been concluded, modified or terminated early, which affects transactions outside the ordinary course of business of the Company or which has not been entered into on normal terms and conditions.

16.3 Guarantees

As at 16 March 2023 the Company approved its status as guarantor and/or obligor of the debt owed by its shareholder TVS Supply Chain Solutions Limited to various financial institutions formalized on 19 March 2020, and which has been novated annually, with the latest novation dated 28 March 2022.

The directors of the Company estimate that the unforeseen liabilities at March 31, 2025 and 2024 that may arise, if any, would not be material.

17. Events after the reporting period

No significant events took place after 31 March 2025 in addition to the events described herein that could have a significant impact on these financial statements.

18. Explanation added for translation to English

These financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Company in Spain (see Note 2.1). Certain accounting practices applied by the Company that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules

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TVS SCS International Pte. Ltd

FY 2024-25

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

TVS SCS INTERNATIONAL PTE. LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TVS SCS International Pte. Ltd. (the "company"), which comprise the statement of financial position of the company as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 6 to 25.

In our opinion, the accompanying financial statements of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the company as at March 31, 2025 and of the financial performance, changes in equity and cash flows of the company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 2 to the financial statements, which indicate that the financial statements have been prepared on a basis other than that of a going concern as the directors have expressed their continuing intention to cease operations pursuant to the proposed amalgamation of the company's business with a related company. As at the date of this report, the proposed amalgamation is still ongoing. Our opinion is not modified in respect of this matter.

Other Matter

The financial statements of the Company for the financial year ended March 31, 2024 were audited by another auditor whose report dated July 8, 2024 expressed an unmodified opinion on those financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

TVS SCS INTERNATIONAL PTE. LTD

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

TVS SCS INTERNATIONAL PTE. LTD

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting. When such use is inappropriate and management uses an alternative basis of accounting, we conclude whether the alternative basis used by management is acceptable in the circumstances. We also evaluate the adequacy of the disclosures describing the alternative basis of accounting and reasons for its use. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.

Trust Practice
Public Accountants and
Chartered Accountants

Singapore

May 30, 2025

TVS SCS INTERNATIONAL PTE. LTD.

STATEMENT OF FINANCIAL POSITION
March 31, 2025

	Note	2025	2024
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	6	33,474	51,822
Total current assets		33,474	51,822
Total assets		33,474	51,822
LIABILITY AND NET CAPITAL DEFICIENCY			
Current liability			
Other payables	8	17,885,670	17,770,681
Capital and accumulated losses			
Share capital	9	100	100
Accumulated losses		(17,852,296)	(17,718,959)
Net capital deficiency		(17,852,196)	(17,718,859)
Total liability and net capital deficiency		33,474	51,822

See accompanying notes to financial statements.

TVS SCS INTERNATIONAL PTE. LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Year ended March 31, 2025

	Note	2025	2024
		$	$
Revenue		-	-
Other operating income	10	64,373	860,950
Other operating expenses	11	(13,848)	(253,545)
Finance costs	12	(183,862)	(227,971)
(Loss) Profit before tax		(133,337)	379,434
Income tax expense	13	-	-
(Loss) Profit for the year, representing total comprehensive (loss) income for the year		(133,337)	379,434

See accompanying notes to financial statements.

TVS SCS INTERNATIONAL PTE. LTD.

STATEMENT OF CHANGES IN EQUITY
Year ended March 31, 2025

	Share capital	Accumulated losses	Net
	$	$	$
Balance at April 1, 2023	100	(18,098,393)	(18,098,293)
Profit for the year, representing total comprehensive income for the year	-	379,434	379,434
Balance at March 31, 2024	100	(17,718,959)	(17,718,859)
Loss for the year, representing total comprehensive loss for the year	-	(133,337)	(133,337)
Balance at March 31, 2025	100	(17,852,296)	(17,852,196)

See accompanying notes to financial statements.

TVS SCS INTERNATIONAL PTE. LTD.

STATEMENT OF CASH FLOWS
Year ended March 31, 2025

	2025	2024
	$	$
Operating activities		
(Loss) Profit before tax	(133,337)	379,434
Adjustments for:		
Interest income	-	(15,608)
Interest expense	183,862	227,971
Net exchange (gain)/loss	(64,373)	-
Loss allowance for impaired other receivables from related party	-	93,129
Reversal of loss allowance for impaired trade receivables from related company	-	(845,342)
Operating cash flows before movements in working capital	(13,848)	(160,416)
Other receivables	-	265,128
Other payables	(4,500)	(125,525)
Cash used in operations, representing net cash used in operating activities	(18,348)	(20,813)
Investing activity		
Repayment of loan from a related company, representing net cash from investing activity	-	485,435
Financing activities		
Advances from a related company	-	1,050,000
Repayment of loan to a immediate holding company	-	(1,000,000)
Repayment of loan to a related company	-	(500,000)
Net cash used in financing activities	-	(450,000)
Net (decrease) increase in cash and cash equivalents	(18,348)	14,622
Cash and cash equivalents at beginning of year	51,822	37,200
Cash and cash equivalents at end of year (Note 6)	33,474	51,822

See accompanying notes to financial statements.

TVS SCS INTERNATIONAL PTE. LTD.

NOTES TO FINANCIAL STATEMENTS
March 31, 2025

1 GENERAL

The company (Registration No. 201201983M) is incorporated in the Republic of Singapore with its principal place of business and registered office at 21 Changi North Way, Pan Asia Logistics Centre, Singapore 498774. The financial statements are expressed in Singapore dollars.

The Company has been in dormant since 2023. The principal activity of the company were those of forwarding and freight services.

The financial statements of the company for the year ended March 31, 2025, were authorised for issue by the Board of Director on May 30, 2025.

2 MATERIAL ACCOUNTING POLICY INFORMATION

BASIS OF PREPARATION - The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in material accounting policy information below, and are drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Financial Reporting Standards in Singapore ("FRSs").

The directors have expressed their continuing intention to cease operations pursuant to a proposed amalgamation of the company's business with TVS SCS Singapore Pte Ltd, a related company. As at the date of approval of these financial statements, the amalgamation process is still ongoing and has taken longer than initially anticipated. Following the amalgamation of the company's business, the assets and liabilities of the company will be transferred to the related company at carrying amounts at the date of amalgamation with the related company being the surviving entity. Accordingly, these financial statements have been prepared on a basis other than that of a going concern, which includes, where appropriate, writing down the company's assets to net realisable value. The financial statements do not include any future cost of terminating the operations of the company except to the extent that such cost have been committed at the end of the reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these interim consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102, leasing transactions that are within the scope of FRS 116, and measurements that have some similarities to fair value but are not fair value, such as value in use in FRS 36.

ADOPTION OF NEW AND REVISED STANDARDS - On April 1, 2024, the company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the company's accounting policies and has no material effect on the amounts reported in the financial statements.

STANDARDS ISSUED BUT NOT EFFECTIVE - At the date of authorisation of these financial statements, the company have not applied the following FRSs pronouncements that have been issued but are not yet effective:

Effective for annual periods beginning after 1 January 2025

- Amendments to FRS 21 *The Effects of Changes in Foreign Exchange Rates*: *Lack of Exchangeability*

Effective for annual periods beginning after 1 October 2026

- Amendments to FRS 109 *Financial Instruments* and FRS 107 *Financial Instruments: Disclosures*: Amendments to the Classification and Measurement of Financial Instruments
- Annual improvement to FRSs Volume 11

Effective for annual periods beginning after 1 January 2027

- FRS 118: *Presentation and Disclosure in Financial Statements*
- FRS 119: *Subsidiaries without Public Accountability: Disclosures*

Management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in future periods will not have a material impact on the financial statements of the company in the period of their initial adoption.

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the company's statement of financial position when the company entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest basis for debt instruments.

Financial assets

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The company always recognises lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the company considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. The company has identified the forecast economic information that relate to the freight forwarding business of the countries in which it perform services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the company has reasonable and supportable information that demonstrates otherwise.

The company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The company considers that default has occurred when a financial asset is more than 90 days past due unless the company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Write-off policy

The company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the company’s recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate.

If the company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method except for short-term balances when the recognition of interest would be immaterial.

Interest-bearing loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Interest expense calculated using the effective interest method is recognised over the term of the borrowings in accordance with the company's accounting policy for borrowing costs.

Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

Interest income

Interest income from loans to related companies are accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is recognised using the effective interest method.

INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION - The financial statements of the company and branch are measured in the currency of the primary economic environment in which they operate (its functional currency). The financial statements of the company and branch are presented in Singapore dollars.

In preparing the financial statements, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in Note 2 to the financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgements in applying the company's accounting policies

Management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements.

(ii) Key sources of estimation uncertainty

Management is of the opinion that there were no key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments at the end of the reporting period:

	2025	2024
	$	$
Financial assets		
At amortised cost	33,474	51,822
Financial liabilities		
At amortised cost	17,885,670	17,770,681

(b) Financial risk management policies and objectives

The company has adopted risk management policies that seek to mitigate financial risks in a cost-effective manner. These risks include market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

There has been no change to the company's exposure to these financial risks or the manner in which it manages and measure the risk. Market risk exposures are measured using sensitivity analysis indicated as below:

(i) Foreign exchange risk management

The company transacts business in foreign currencies mainly in United States Dollar and therefore is exposed to foreign exchange risk.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currency other than the functional currency of the company are as follows:

	Liabilities		Assets	
	2025	2024	2025	2024
	$	$	$	$
United States Dollar	12,806,781	12,869,732	-	69,999

Foreign currency sensitivity

The following table details the sensitivity to a 10% increase and decrease in the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign related companies where they gave rise to an impact on the company's profit or loss and/or equity.

As at end of the reporting period, if the relevant foreign currency strengthens by 10% against the functional currency, with all other variables held constant, the company's loss before income tax will increase (decrease) (2024: profit before income tax will (decrease) increase) by:

	2025	2024
	$	$
United States Dollar	(1,280,678)	1,286,973

If the relevant foreign currency weakens by 10% against the functional currency, with all other variable held constant, the impact on the company's loss before tax (2024: profit before tax) would be vice versa.

(ii) Interest rate risk management

The company is not exposed to significant interest rate risk as it does not have any significant floating interest-bearing financial assets and liabilities. No sensitivity analysis is prepared as the company does not expect any material effect on the company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

(iii) Credit risk management

Credit risk refers to the risk that a counterparty may default on its contractual obligations, resulting in a financial loss to the Company. The Company has adopted a policy of transacting only with creditworthy counterparties to mitigate the risk of financial loss from defaults.

The Company's credit risk exposure is primarily attributable to its cash and cash equivalents, which are held with reputable financial institutions. The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk.

(iv) Liquidity risk management

Liquidity risk arises from the possibility that the company is unable to meet its obligations as and when they fall due. The company's operations are financed mainly through funding from related companies.

All financial assets and financial liabilities as at March 31, 2025 and 2024 are unsecured, repayable on demand or due within one year from the end of the reporting period.

At the end of the reporting period, the company's total current liabilities exceeded its total current assets by $17,852,196 (2024 : $17,718,859) and the company made a loss of $133,337 (2024 : profit $379,434). Out of total liabilities of $17,885,670 (2024 : $17,770,681), $17,877,670 (2024 : $17,758,181) are intercompany liabilities and by excluding them, the company will be in a net current asset position of $25,474 (2024 : $39,322). The directors have expressed their intention to cease operations pursuant to the proposed amalgamation of the company's business with a related company subsequent to the end of the financial year.

Liquidity and interest risk analyses

Non-derivative financial assets

All financial assets of the company are repayable on demand or due within one year for 2025 and 2024.

Non-derivative financial liabilities

The following tables detail the contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both interest and principal cash flows.

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	Adjustments	Total
	% p.a.	$	$		$
March 31, 2025					
Non-interest bearing		14,207,026	-	-	14,207,026
Fixed interest rate instruments	5.00	3,862,576	-	(183,932)	3,678,644
Total		18,069,602	-	(183,932)	17,885,670
March 31, 2024					
Non-interest bearing	-	14,092,037	-	-	14,092,037
Fixed interest rate instruments	5.00	3,862,576	-	(183,932)	3,678,644
Total		17,954,613	-	(183,932)	17,770,681

(v) Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents and other payables approximates their respective fair value due to the relatively short-term maturity of these financial instruments.

(c) Capital management policies and objectives

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the company consists only of issued capital.

The company is not subject to any externally imposed capital requirements.

The company's overall capital management strategy remains unchanged from prior year.

5 HOLDING COMPANY, RELATED COMPANY AND RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of TVS Supply Chain Solutions Pte. Ltd., incorporated in Singapore. The ultimate holding company, TVS Supply Chain Solutions Limited is incorporated in India.

Related companies in these financial statements refer to members of the ultimate holding company's group of companies. The intercompany balances are unsecured, interest-free and repayable on demand unless stated otherwise.

During the year, the company entered into the following transactions with its related companies:

	2025	2024
	$	$
Interest expense to related companies	183,862	194,958
Interest expense to immediate holding company	-	33,013
Interest income from related companies	-	(15,608)

Compensation of directors and key management personnel

There is no remuneration paid to directors, who are the only key management personnels of the company.

6 CASH AND CASH EQUIVALENTS

	2025	2024
	$	$
Cash at bank	33,474	51,822

6 OTHER RECEIVABLES

	2025	2024
	$	$
Amount due from related companies (non-trade) (Note 5)	-	497,264
Less: Loss allowance for impaired receivables	-	(497,264)
	-	-

Amount due from related companies (non-trade)

Amount due from related companies are unsecured, repayable on demand and interest free.

Loan to a related company is unsecured, repayable on demand and bears interest rate between 5% and 6% per annum (2024: between 5% and 6% per annum).

Advances to a related company is unsecured, repayable on demand and interest free.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for receivables.

In determining the loss allowance for amount due from related companies (non-trade) and loans to a related company, management has taken into account the financial position of the related companies, adjusted for factors that are specific to it and general economic conditions of the industry in which it operates, in estimating the probability of default of these receivables as well as the loss upon default.

The movement in credit loss allowance other receivables are as follows:

	2025	2024
	$	$
Balance at beginning of the year	497,264	1,314,430
Increase in allowance recognised in profit or loss	-	93,129
Reversal of allowance recognised in profit or loss	-	(845,342)
Amount written off	(497,264)	(64,953)
Balance at end of the period	-	497,264

8 OTHER PAYABLES

	2025	2024
	$	$
Loan from a related company (Note 5)	3,678,644	3,678,644
Advances from a related company (Note 5)	14,199,026	14,078,203
Amount due to related companies (non-trade) (Note 5)	-	1,334
Accruals	8,000	12,500
	17,885,670	17,770,681

Loans from a related company are unsecured, bears fixed interest rate of 5 % per annum (2024 : 5%) and repayable on demand.

Advances from a related company and amount due to related companies (non-trade) are unsecured, interest-free and repayable on demand.

Reconciliation of liabilities arising from financing activities

The table below details changes in the company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the statement of cash flows as cash flows from financing activities.

	April 1, 2024	Financing cash flow [(i)]	Others [(ii)]	March 31, 2025
	$	$	$	$
Loan from a related company	3,678,644	-	-	3,678,644
Advances from a related company	14,078,203	-	120,823	14,199,026
	17,756,847	-	120,823	17,877,670

	April 1, 2023	Financing cash flow [(i)]	Others [(ii)]	March 31, 2024
	$	$	$	$
Loan from immediate holding company	1,000,000	(1,000,000)	-	-
Loan from a related company	4,446,385	(500,000)	(267,741)	3,678,644
Advances from a related company	12,992,175	1,050,000	36,028	14,078,203
	18,438,560	(450,000)	(231,712)	17,756,848

[(i)] The cash flow refers to principal repayment of loan/advances from immediate holding company and related company in the statement of cash flows.

[(ii)] Others refers to related company balances were netted off between payables and receivables.

9 SHARE CAPITAL

	2025	2024	2025	2024
	Number of ordinary shares		$	$
Issued and fully paid:				
At beginning and end of year	100	100	100	100

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends.

10 OTHER OPERATING INCOME

	2025	2024
	$	$
Interest income from related company (Note 5)	-	15,608
Net foreign exchange gains	64,373	-
Reversal of credit loss allowance recognised in profit or loss	-	845,342
	64,373	860,950

11 OTHER OPERATING EXPENSES

	2025	2024
	$	$
Legal and professional fees	13,796	(10,071)
Net foreign exchange losses	-	174,607
Computer/IT expenses	-	(345)
Loss allowance for impaired other receivables	-	93,129
Others	52	(3,775)
	13,848	253,545

12 FINANCE COSTS

	2025	2024
	$	$
Interest expense to related companies	183,862	194,958
Interest expense to immediate holding company	-	33,013
	183,862	227,971

13 INCOME TAX EXPENSE

Domestic income tax is calculated at 17% (2024 : 17%) of the estimated assessable income for the year.

The total credit for the year can be reconciled to the accounting (loss) profit as follows:

	2025	2024
	$	$
(Loss) Profit before tax	(133,337)	379,433
Tax at the statutory income tax rate of 17%	(22,667)	64,504
Non-deductible item	33,610	82,124
Non-taxable item	(10,943)	(143,708)
Utilisation of tax losses not recognised previously	-	(2,920)
	-	-

As at March 31, 2025, the company had unutilised tax losses and other temporary difference totalling $15,292,816 (2024 : $15,292,816). Deferred tax assets were not recognised in view that there is uncertainty on future taxable profits available to utilise this tax benefit.

TVS Logistics Investment USA Inc.

FY 2024-25

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors,
TVS Supply Chain Solutions Limited
(Holding Company of TVS Logistics Investment USA Inc.)

Report on the Audit of the Special Purpose Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying special purpose standalone Ind AS financial statements of TVS Logistics Investment USA Inc. ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the special purpose standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose standalone Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at March 31, 2025, its standalone loss including other comprehensive income, its standalone cash flow and the standalone changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the special purpose standalone Ind AS financial statements in accordance with the 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 Special Purpose Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 special purpose standalone Ind AS financial statements.

Responsibility of Management and Those charged with Governance for the Special Purpose Standalone Ind AS Financial Statements

The Board of Directors of TVS Supply Chain Solutions Limited and TVS Logistics Investment USA Inc are responsible for the preparation of these special purpose standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company 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 for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose standalone Ind AS financial statements, the Board of Directors of TVS Supply Chain Solutions Limited and TVS Logistics Investment USA Inc. are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors TVS Supply Chain Solutions Limited and TVS Logistics Investment USA Inc. are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the special purpose standalone Ind AS financial statements, including the disclosures, and whether the special purpose standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings.

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.

Restriction of use and distribution

These special purpose standalone Ind AS financial statements are prepared to assist TVS Supply Chain Solutions Limited and the Company in regulatory filings with the Reserve Bank of India. Accordingly, these special purpose standalone Ind AS financial statements are not suitable for any other purposes and should not be used by or distributed to parties other than as aforesaid.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 25210934BMLCGE9233
Place of Signature: Bengaluru
Date: May 27, 2025

TVS Logistics Investment USA Inc.
Standalone Balance Sheet as at 31 March 2025
(All amounts are in United States Dollar (USD) except share data and otherwise stated)

	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Financial assets			
Investments	8	3,65,39,174	3,38,25,975
Deferred tax assets	7	-	14,93,400
Non-current tax assets (net)		73,172	-
Total non - current assets		**3,66,12,346**	**3,53,19,375**
Current Assets			
Financial assets			
Cash and cash equivalents	10	11,883	12,038
Loans	11	92,23,364	1,04,62,364
Deposits and other receivables	12	33,86,876	13,60,071
Total current assets		**1,26,22,123**	**1,18,34,473**
Total Assets		**4,92,34,469**	**4,71,53,848**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13A	91,41,000	61,51,000
Other Equity		2,13,60,177	2,12,42,395
Total Equity		**3,05,01,177**	**2,73,93,395**
Liabilities			
Non-current liabilities			
Non current tax liabilities (net)		-	20,307
Total Non-current liabilities		**-**	**20,307**
Current liabilities			
Financial Liabilities			
Borrowings	14	1,43,21,000	1,43,21,000
Other financial liabilities	15	44,06,042	54,12,896
Other current liabilities	16	6,250	6,250
Total current liabilities		**1,87,33,292**	**1,97,40,146**
Total liabilities		**1,87,33,292**	**1,97,60,453**
Total Equity and liabilities		**4,92,34,469**	**4,71,53,848**

The notes from 1 to 19 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Bharath N S
Partner
Membership No. 210934

Place : Bengaluru
Date : May 27, 2025

Ravi Viswanathan
Director

Place : Chennai
Date : May 27, 2025

TVS Logistics Investment USA Inc.
Standalone Statement of Profit and Loss for the year ended 31 March 2025
(All amounts are in United States Dollar (USD) except share data and otherwise stated)

	Notes	Year ended 31 March 2025	Year ended 31 March 2024
Other income	4	6,61,784	6,55,168
Total income		**6,61,784**	**6,55,168**
Expenses			
Impairment losses on financial instrument		7,796	7,796
Finance costs	5	9,23,299	16,14,867
Other expenses	6	5,386	6,964
Total expenses		**9,36,481**	**16,29,627**
Loss before tax		**(2,74,697)**	**(9,74,459)**
Tax expenses			
Current Tax	7	(93,479)	20,307
Deferred tax	7	-	(14,93,400)
Total tax expenses		**(93,479)**	**(14,73,093)**
(Loss) / Profit for the year		**(1,81,218)**	**4,98,634**
Earnings per share			
Basic earnings per share	13B	(1.98)	8.11

The notes from 1 to 19 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Bharath N S
Partner
Membership No. 210934

Place : Bengaluru
Date : May 27, 2025

Ravi Viswanathan
Director

Place : Chennai
Date : May 27, 2025

TVS Logistics Investment USA Inc.
Standalone statement of changes in equity for the year ended 31 March 2025
(All amounts are in United States Dollar (USD) except share data and otherwise stated)

Total Equity	Equity share capital	Other Equity		
		Securities Premium	Retained earnings	Total
Balance at 01 April 2023	61,51,000	-	(1,23,55,239)	(1,23,55,239)
Total comprehensive income for the year ended 31 March 2024				
Profit for the year	-	-	4,98,634	4,98,634
Total comprehensive income	**-**	**-**	**4,98,634**	**4,98,634**
Contributions by and distribution to owners				
Capital contribution during the year	-	3,30,99,000	-	3,30,99,000
Total contributions by and distributions to owners	**-**	**3,30,99,000**	**-**	**3,30,99,000**
Balance at 31 March 2024	**61,51,000**	**3,30,99,000**	**(1,18,56,605)**	**2,12,42,395**
Balance at 01 April 2024	61,51,000	3,30,99,000	(1,18,56,605)	2,12,42,395
Total comprehensive income for the year ended 31 March 2025				
Loss for the year	-	-	(1,81,218)	(1,81,218)
Total comprehensive income	**-**	**-**	**(1,81,218)**	**(1,81,218)**
Transactions with owners recorded directly in equity				
Contributions by and distribution to owners				
Issue of shares during the year	29,90,000	2,99,000	-	2,99,000
Total contributions by and distributions to owners	**29,90,000**	**2,99,000**	**-**	**2,99,000**
Balance at 31 March 2025	**91,41,000**	**3,33,98,000**	**(1,20,37,823)**	**2,13,60,177**

The notes from 1 to 19 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Bharath N S
Partner
Membership No. 210934

Place : Bengaluru
Date : May 27, 2025

Ravi Viswanathan
Director

Place : Chennai
Date : May 27, 2025

TVS Logistics Investment USA Inc.
Standalone statement of cash flows for the year ended 31 March 2025
(All amounts are in United States Dollar (USD) except share data and otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Cash flows from operating activities		
Profit / (Loss) before tax	(2,74,697)	(9,74,459)
Adjustments for:		
Finance costs	9,23,299	16,14,867
Interest income	(6,61,784)	(6,55,168)
Foreign exchange differences (gain)/loss	5,230	5,061
	(7,952)	**(9,699)**
Working capital adjustments:		
(Increase) in deposits and other receivables	1,28,379	62,702
(Increase)/decrease in other current and Non current, financial and non financial liabilities	(5,230)	(5,061)
Increase (decrease) in trade payables	-	(10,134)
Cash generated from operating activities (A)	**1,15,197**	**37,808**
Income tax refund/(paid) (net)	-	-
Net cash from operating activities (A)	**1,15,197**	**37,808**
Cash flows from investing activities		
Loans given to related party	-	(17,49,424)
Loans repaid by related party	12,39,000	-
Investment in subsidiary company	(27,13,199)	(49,17,022)
Cash used in investing activities (B)	**(14,74,199)**	**(66,66,446)**
Cash flows from financing activities		
Proceeds from issue of equity share capital	32,89,000	3,30,99,000
Interest paid	(19,30,153)	(9,03,488)
Proceeds of borrowings from related party	-	30
Repayment of borrowings from related party	-	(2,56,48,365)
Net cash flow from (used in) financing activities (C)	**13,58,847**	**65,47,177**
Net increase in cash and cash equivalents (A+B+C)	**(155)**	**(81,461)**
Cash and cash equivalents at the beginning of the year	12,038	93,499
Cash and cash equivalents at the end of the year (Note 10)	**11,883**	**12,038**

The notes from 1 to 19 form an integral part of the standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Bharath N S
Partner
Membership No. 210934

Place : Bengaluru
Date : May 27, 2025

Ravi Viswanathan
Director

Place : Chennai
Date : May 27, 2025

TVS Logistics Investment USA Inc.
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts are in United States Dollar (USD) except share data and otherwise stated)

1 Reporting entity

TVS Logistics Investments USA, Inc. ("TVS LI USA" or the "Company") is a wholly owned subsidiary of TVS Supply Chain Solutions Limited (formerly known as TVS Logistics Services Limited) ("TVS SCS"or the "holding company"), located in Chennai, India.

The Company was formed on December 1, 2010 to acquire interests in operating companies in the United States. The Company, which is an investment entity through its operating companies provides distribution of industrial supplies and provides specialized logistics and material management services throughout the United States. The Company has facilities located in Michigan, South Carolina, North Carolina and Missouri.

2 Basis of preparation

A Statement of compliance and going concern

These special purpose standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the Indian regulatory reporting requirements. Consequently, these financial statements do not purport to be, and are not prepared to comply with the requirements of the Companies Act, 2013 and include only those disclosures prescribed under the Companies Act, 2013 as the management deems relevant. The standalone financial statements are presented in US Dollars ("USD"), except when otherwise indicated. As at March 31, 2025, the net worth of the company is fully eroded on account of provisions made and operational losses and the Company's current liabilities exceed the current assets. The current liabilities predominantly comprise of borrowings from its group companies.

The Company has made a detailed assessment of its liquidity position using available information, estimates and judgements. Further the Parent Company has provided letter of support necessary to sustain the operations in the foreseeable future to meet the Company's obligation as and when they fall due for the next twelve month from the date of approval of this financial statements. Based on the foregoing management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future. Accordingly, these special purpose Standalone financial statements have been prepared on a going concern basis.

The above special purpose standalone financial statements for the year ended March 31, 2025 were approved by the board of directors on 27th May 2025.

Details of the Company's accounting policies are included in Note 3.

B Functional and presentation currency

These standalone financial statements are presented in United States Dollars (USD) which is also the Company's functional currency. All amounts have been rounded-off to the nearest dollars, unless otherwise indicated.

C Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value

D Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2025 is included wherever relevant.

2 Basis of preparation (continued)

E Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuation meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 18 – financial instruments

F Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3 Material accounting policies

A Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit and loss.

B Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in of profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3 Material accounting policies (continued)

C Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:
- financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is 'credit - impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

Measurement of expected credit losses
Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

3 Material accounting policies (continued)

C Impairment (continued)

i. Impairment of financial instruments (continued)

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets
The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested for impairment annually.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

D Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.
The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

E Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

3 Material accounting policies (continued)

E Income tax (continued)

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:
- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets - unrecognised or recognised are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

F Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

G Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

H Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

I Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Key managerial personnel comprising the Managing Director and Deputy Managing Director assess the financial performance and position of the Comapny, and make strategic decisions and have been together identified as being the chief operating decision maker ('CODM').

J Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

4 Other income	31 March 2025	31 March 2024
Interest income on loan to related parties (Refer Note 17)	6,61,784	6,55,168
	6,61,784	**6,55,168**

5 Finance costs	31 March 2025	31 March 2024
Interest expense on borrowings (Refer Note 17)	9,23,299	16,14,867
	9,23,299	**16,14,867**

6 Other expenses	31 March 2025	31 March 2024
Bank charges	156	534
Legal and professional fees	-	1,369
Loss (gain) on foreign currency transactions and translations (Net)	5,230	5,061
	5,386	**6,964**

7 Income tax expense

A Amounts recognised in profit or loss

	Year ended 31 March 2025	Year ended 31 March 2024
Current tax (a)		
Current tax on profits for the year	(93,479)	20,307
	(93,479)	**20,307**
Deferred tax (b)		
Attributable to origination and reversal of temporary differences #	-	(14,93,400)
	-	**(14,93,400)**
Tax expense (a+b)	**(93,479)**	**(14,73,093)**

The Company had recognized deferred tax assets on carryforward losses amounting to USD 0.14 crore in earlier years. The Company, along with its subsidiaries files consolidated federal tax returns and these losses are being / will be utilized in those returns. During the current year, the Company transferred these deferred tax assets to its subsidiary, TVS SCS NA, which is expected to utilize the carryforward losses.

B Reconciliation of effective tax rate

	Year ended 31 March 2025	Year ended 31 March 2024
Loss before tax	(2,74,697)	(9,74,459)
Income tax expense at tax rates applicable to individual entities	(68,674)	(2,43,615)
Effect of :		
Recognition of deferred tax asset on earlier year losses	-	(11,37,210)
Transfer of unrecognised tax losses	-	(90,229)
Others	(24,805)	(2,039)
Income tax expense as per statement of profit and loss	**(93,479)**	**(14,73,093)**

C Recognised deferred tax assets and liabilities

Deferred tax assets (net)	31 March 2025	31 March 2024
Carried forward tax losses	-	14,93,400
Deferred tax assets	**-**	**14,93,400**
Others	-	
Deferred tax liabilities	**-**	**-**
Net Deferred tax assets	**-**	**14,93,400**

Particulars	Balance as at 1 April 2023	Recognised in Profit & Loss	Balance as at 31 March 2024	Recognised in Profit & Loss	Transfer of loss to Subsidiary	Balance as at 31 March 2025
Deferred tax assets (net)						
Carried forward tax losses *	-	14,93,400	14,93,400	-	(14,93,400)	-
Deferred tax liabilities	**-**	**14,93,400**	**14,93,400**	**-**	**(14,93,400)**	**-**
Others				-		-
Deferred tax liabilities	**-**	**-**	**-**	**-**		**-**
Net Deferred tax assets	**-**	**14,93,400**	**14,93,400**	**-**	**(14,93,400)**	**-**

*Deferred tax assets on carryforward losses amounting to USD 0.15 crore have been transfered to subsidary entity in the current year.

8 Investments

Non-current investments	**31 March 2025**	**31 March 2024**
Unquoted equity shares		
Investment in TVS America Inc.#	-	6,60,000
NIL (31 March 2024: 510) shares of no par value		
TVS Supply Chain Solutions North America Inc*	3,65,39,174	3,38,25,975
3,209.50 (31 March 2024: 3,209.50) shares of USD 1 each		
Provision for decline in fair value of investments		
Investment in equity instruments		
TVS America Inc.	-	(6,60,000)
	3,65,39,174	**3,38,25,975**
Aggregate value of unquoted investments	3,65,39,174	3,44,85,975
Aggregate amount of impairment in value of investments	-	6,60,000

*Pursuant to impairment assessment carried out by the management based on future forecasts approved by the Board of Directors, the carrying value of the investment in the subsidiary is not impaired and hence no impairment provision is made in the books as on March 31, 2025.

TVS America Inc. has been dissolved w.e.f 25th March 2025.

9 Other financial assets

	Current	
	31 March 2025	**31 March 2024**
Interest accrued on loan to related parties (Refer Note 17)	-	80,824
Provision for doubtful interest	-	(80,824)
	-	**-**

10 Cash and cash equivalents

	31 March 2025	**31 March 2024**
Balance with banks		
On current accounts	11,883	12,038
	11,883	**12,038**

11 Loans

	31 March 2025	**31 March 2024**
Loan to related parties		
Unsecured, considered good	92,23,364	1,04,62,364
Unsecured, considered doubtful	-	7,79,630
Provision for doubtful loans to related parties	-	(7,79,630)
	92,23,364	**1,04,62,364**

12 Deposits and other receivables

	31 March 2025	**31 March 2024**
Other receivables		
Other receivables - Amount due from Related companies	33,86,876	13,60,071
	33,86,876	**13,60,071**

13A Share capital

	31 March 2025	31 March 2024
Authorised share capital		
120,000 (31 March 2024: 120,000) Common stock of USD 100 each	1,20,00,000	1,20,00,000
Issued, subscribed and paid up		
Common stock		
91,410 (31 March 2024: 61,510) Common stock of USD 100 each	91,41,000	61,51,000
Total issued capital	**91,41,000**	**61,51,000**
Called, Subscribed and Paid up		
Equity shares		
91,410 (31 March 2024: 61,510) Common stock of USD 100 each	91,41,000	61,51,000
	91,41,000	**61,51,000**

a. Reconciliation of shares outstanding at the beginning and at end of the reporting year

	31 March 2025		31 March 2024	
	Nos	USD	Nos	USD
Equity shares				
At the beginning of the year	61,510	61,51,000	61,510	61,51,000
Movements during the year	29,900	29,90,000	-	-
Outstanding at the end of the year	**91,410**	**91,41,000**	**61,510**	**61,51,000**

b. Terms/rights attached to equity shares

The Company has one class of equity shares having face value of USD 100 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company

	31 March 2025		31 March 2024	
	Number of shares	% holding	Number of shares	% holding
Equity shares				
TVS Supply Chain Solutions Limited	91,410	100%	61,510	100%

13B 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	**31 March 2025**	**31 March 2024**
Profit (loss) for the year, attributable to the equity holders	(1,81,218)	4,98,634

(ii) Weighted average number of equity shares	**31 March 2025**	**31 March 2024**
Weighted average number of equity shares outstanding during the year	61,755	61,510
Weighted average number of equity shares for the year	**61,755**	**61,510**
(iii) Basic and diluted earnings per share (USD)	(2.93)	8.11

14 Borrowings

	31 March 2025	31 March 2024
Current borrowings		
Loan from related parties		
Interest charged loan from related parties (Refer Note 17)	1,43,21,000	1,43,21,000
	1,43,21,000	**1,43,21,000**

A. Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

	Currency	Nominal Interest rate	Carrying amount as at 31 March 2025	Carrying amount as at 31 March 2024
Unsecured loans repayable on demand from related party				
TVS Supply Chain Solutions Limited	USD	2% plus SOFAR	1,43,21,000	1,43,21,000
			1,43,21,000	**1,43,21,000**

B. Unsecured term loans from related parties

Unsecured term loan from related parties

During 2023, TVS Logistics Investments USA entered into an agreements with TVS Supply Chain Solutions Limited for securing loan upto $8,500,000 and $5,821,000. The Company has drawn down an amount of $14,321,000 as at March 31, 2025 ($14,321,000 as at March 31, 2024). The loan is repayable on demand. The loan carries an effective interest of 2% plus SOFAR p.a.

15 Other financial liabilities

	31 March 2025	31 March 2024
Interest accrued and due on borrowings (Refer Note 17)	44,06,042	54,12,896
	44,06,042	**54,12,896**

16 Other current liabilities

	31 March 2025	31 March 2024
Others	6,250	6,250
	6,250	**6,250**

17 Related party disclosures

A. Holding company	TVS Supply Chain Solutions Limited
B. Subsidiaries	TVS America Inc., USA TVS Supply Chain Solutions North America Inc., USA TVS Transporation Solutions, LLC. TVS Supply Chain Solutions De Mexico S.A de C.V., Mexico
C. Fellow subsidiaries	TVS SCS IFM Limited (Formerly known as Rico Logistics Limited, UK) TVS Logistics Investment UK Limited TVS Supply Chain Solutions Limited, UK

Transactions during the year	**Year ended 31 March 2025**	**Year ended 31 March 2024**
Interest income		
TVS SCS IFM Limited (Formerly known as Rico Logistics Limited, UK)	36,476	36,576
TVS Logistics Investment UK Limited	6,17,512	6,10,796
TVS America Inc.	7,796	7,796
Interest expense		
TVS Supply Chain Solutions Limited, India	9,23,299	10,44,359
TVS Supply Chain Solutions North America Inc., USA	-	5,70,508
Investment		
TVS Supply Chain Solutions North America Inc., USA	27,13,199	49,17,022
Year end balances:		
Loans receivable from		
TVS SCS IFM Limited (Formerly known as Rico Logistics Limited, UK)	12,00,000	12,00,000
TVS Supply Chain Solutions Limited, UK	1,41,370	1,41,370
TVS America Inc.	-	7,79,630
TVS Logistics Investment UK Limited	78,81,994	91,20,994
Loans payable to		
TVS Supply Chain Solutions Limited, India	1,43,21,000	1,43,21,000
Other receivable		
TVS SCS IFM Limited (Formerly known as Rico Logistics Limited, UK)	3,77,223	3,40,747
TVS Logistics Investment UK Limited	11,19,445	6,22,516
TVS Supply Chain Solutions North America Inc., USA	18,90,208	3,96,808
Interest accrued		
TVS America Inc.	-	80,824
Interest payable		
TVS Supply Chain Solutions Limited, India	2,18,060	12,30,144
TVS Supply Chain Solutions UK Limited	2,29,043	2,23,813
TVS Supply Chain Solutions North America Inc., USA	39,58,939	39,58,939

18 Financial instruments - Fair values and risk management

A. Accounting classification and fair values and fair value hierarchy

This section explains the carrying amounts and fair values of financial assets and liabilities, including judgements and estimates made in determining the fair values of the standalone financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as described in note 3.

		Carrying amount					
	Note	31 March 2025			31 March 2024		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets not measured at fair value							
Loans	11	-	-	92,23,364	-	-	1,04,62,364
Deposits and other receivables	12	-	-	33,86,876	-	-	13,60,071
Cash and cash equivalents	10	-	-	11,883	-	-	12,038
Total		**-**	**-**	**1,26,22,123**	**-**	**-**	**1,18,34,473**
Financial liabilities not measured at fair value							
Borrowings	14	-	-	1,43,21,000	-	-	1,43,21,000
Other financial liabilities	15	-	-	44,06,042	-	-	54,12,896
Total		**-**	**-**	**1,87,27,042**	**-**	**-**	**1,97,33,896**

Note: The Company has not disclosed fair values of financial instruments such as loans, deposits and other receivables, cash and cash equivalents, other financial assets, borrowings, trade payables, other financial liabilities because their carrying amounts are reasonable approximations of their fair values. The Company has also not disclosed fair values of investments carried at cost.

18 Financial instruments - Fair values and risk management (continued)

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the senior management are responsible for developing and monitoring the Company's risk management

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

The maximum exposure to credit risk for trade and other receivables are as follows:

	Carrying amount	
	31 March 2025	**31 March 2024**
Cash and cash equivalents	11,883	12,038
Loans	92,23,364	1,04,62,364
Deposits and other receivables	33,86,876	13,60,071
Total	**1,26,22,123**	**1,18,34,473**

Cash and cash equivalents and other bank balances

The Company holds bank balances of $ 11,883 as at 31 March 2025 (31 March 2024: $ 12,038). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables

This balance is primarily constituted by Receivable from subsidiaries by the Company for carrying out its operations. The Company does not expect any losses from non-performance by these counter-parties.

Loans, Investments and Other financial assets

The Company has loans $ 9,223,364 as at 31 March 2025 (31 March 2024: $ 10,462,364). All these balances are within the group and are hence considered good.

18 Financial instruments - Fair values and risk management (continued)

B. Financial risk management (continued)

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

		Contractual cash flows				
	Carrying amount	**Total**	**1 year or less**	**1-2 years**	**2-5 years**	**More than 5 years**
31 March 2025						
Non derivative financial liabilities						
Current and non-current borrowings						
Unsecured loans repayable on demand from related parties	1,43,21,000	1,43,21,000	1,43,21,000	-	-	-
Others						
Other financial liabilities	44,06,042	44,06,042	44,06,042	-	-	-
	1,87,27,042	**1,87,27,042**	**1,87,27,042**	**-**	**-**	**-**

		Contractual cash flows				
	Carrying amount	**Total**	**1 year or less**	**1-2 years**	**2-5 years**	**More than 5 years**
31 March 2024						
Non derivative financial liabilities						
Current and non-current borrowings						
Unsecured loans repayable on demand from related parties	1,43,21,000	1,43,21,000	1,43,21,000	-	-	-
Others						
Trade payable	-	-	-	-	-	-
Other financial liabilities	54,12,896	54,12,896	54,12,896	-	-	-
	1,97,33,896	**1,97,33,897**	**1,97,33,896**	**-**	**-**	**-**

18 Financial instruments - Fair values and risk management (continued)

iv. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Company's income or the value of it's holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

Interest rate risk

The Company has only one type of variable rate instrument i.e. certain working capital demand loans. Company's exposure to variable rate instruments is insignificant.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	31 March 2025	31 March 2024
Variable instruments		
Financial Liabilities		
- Loans repayable on demand	-	-
- Borrowing	1,43,21,000	1,43,21,000
Fixed rate instruments		
Financial assets		
- Loans	92,23,364	1,12,41,994
Financial Liabilities		
- Loans repayable on demand	-	-

Fair value sensitivity analysis for fixed-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (loans given, investments made and borrowings) are carried at amortised cost any changes in interest rates are not considered for subsequent measurement.

19 Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of this standalone financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Bengaluru
Date : May 27, 2025

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Ravi Viswanathan
Director

Place : Chennai
Date : May 27, 2025

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors
TVS Supply Chain Solutions Limited
(Holding Company of TVS Logistics Investment USA Inc.)

Report on the Audit of the Special Purpose Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying special purpose consolidated Ind AS financial statements of TVS Logistics Investment USA Inc (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2025, the consolidated Statement of Profit and Loss, including the Statement of 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 special purpose consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose consolidated Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the consolidated state of affairs of the Group as at March 31, 2025, its consolidated profit including other comprehensive income, its consolidated cash flow and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the special purpose consolidated Ind AS 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 special purpose consolidated Ind AS financial statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the special purpose consolidated Ind AS financial statements.

Responsibilities of Management and Those Charged with Governance for the special purpose consolidated Ind AS financial statements

The Board of Directors of TVS Supply Chain Solutions Limited and TVS Logistics Investment USA Inc are responsible for the preparation of these special purpose consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance

including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the 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 are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose consolidated Ind AS financial statements, the Board of Directors of TVS Supply Chain Solutions Limited and the respective Board of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors (TVS Supply Chain Solutions Limited and the companies included in the Group) are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the special purpose consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the special purpose consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

report to the related disclosures in the special purpose consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the special purpose consolidated Ind AS financial statements, including the disclosures, and whether the special purpose consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of TVS Supply Chain Solutions Limited, the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings.

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.

Restriction of use and distribution

The accompanying Consolidated Financial Statements have been prepared to assist TVS Supply Chain Solutions Limited and the Company in regulatory filings with the Reserve Bank of India. Accordingly, these consolidated financial statements are not suitable for any other purposes and should not be used by or distributed to parties other than as aforesaid.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 25210934BMLCGS1196
Place of Signature: Chennai
Date: 01st July 2025

TVS Logistics Investment USA Inc.
Consolidated Balance Sheet as at 31 March 2025
(All amounts are in USD ($) crores except share data and otherwise stated)

	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	13	0.24	0.31
Capital work-in-progress	13B	0.84	0.02
Goodwill	14	0.72	0.72
Other Intangible assets	14	0.03	0.04
Intangible asset under development	13B	0.01	0.01
Right-of-use assets	15	1.21	1.67
Non current tax assets	20	0.07	0.06
Deferred tax assets	12	0.22	0.26
Total non - current assets		**3.34**	**3.09**
Current Assets			
Inventories	16	1.02	1.18
Financial assets			
Trade receivables	17	1.41	0.76
Cash and cash equivalents	21	0.65	0.58
Loans	18	0.93	1.05
Deposits and other receivables	19	0.19	0.15
Other financial assets	20	0.02	-
Other current assets	22	0.10	0.07
Total current assets		**4.32**	**3.79**
Total Assets		**7.66**	**6.88**
EQUITY AND LIABILITIES			
Equity			
Share capital	23A	0.92	0.62
Other Equity		1.63	1.21
Equity attibutable to equity holders of the parent		**2.55**	**1.83**
Non controlling interest		-	(0.04)
Total Equity		**2.55**	**1.79**

TVS Logistics Investment USA Inc.
Consolidated Balance Sheet as at 31 March 2025
(All amounts are in USD ($) crores except share data and otherwise stated)

	Notes	As at 31 March 2025	As at 31 March 2024
Liabilities			
Non-current liabilities			
Financial Liabilities			
Lease liability	15	0.82	1.30
Other financial liabilities	27	0.30	-
Other non current liabilities	28	0.02	0.02
Total Non-current liabilities		**1.14**	**1.32**
Current liabilities			
Financial Liabilities			
Borrowings	24	1.57	1.43
Lease liability	15	0.56	0.48
Trade payables	26	1.35	1.32
Other financial liabilities	27	0.36	0.45
Provisions	25	0.09	0.08
Other current liabilities	29	0.04	0.01
Total current liabilities		**3.97**	**3.77**
Total liabilities		**5.11**	**5.09**
Total Equity and liabilities		**7.66**	**6.88**

The notes from 1 to 37 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 Logistics Investments USA Inc.

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : July 1, 2025

Ron Dover
Director

Place : St Louis, Missouri
Date : July 1, 2025

TVS Logistics Investment USA Inc.

Consolidated Statement of Profit and Loss for the year ended 31 March 2025

(All amounts are in USD ($) crores except share data and otherwise stated)

	Notes	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from operations	4	12.18	9.61
Other income	5	0.08	0.08
Total income		**12.26**	**9.69**
Expenses			
Freight, clearing, forwarding and handling charges		0.43	0.01
Sub-contracting costs and casual labour charges		0.05	0.04
Purchase of stock in trade	6	5.13	4.69
Change in inventory of stock in trade	7	0.16	(0.18)
Impairment losses on financial instrument		-	0.01
Employee benefits expense	8	4.23	3.47
Finance costs	9	0.20	0.28
Depreciation and amortization expense	10	0.58	0.49
Other expenses	11	0.90	0.84
Total expenses		**11.68**	**9.65**
Profit before tax		**0.58**	**0.04**
Tax expenses			
Current Tax (net of refunds)	12	0.11	0.02
Deferred tax	12	0.04	(0.22)
Total tax expenses		**0.15**	**(0.20)**
Profit for the year		**0.43**	**0.24**
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Exchange differences in translating financial statements of foreign operations		-	-
Other comprehensive income for the year, net of tax		**-**	**-**
Total comprehensive income for the year		**0.43**	**0.24**

TVS Logistics Investment USA Inc.

Consolidated Statement of Profit and Loss for the year ended 31 March 2025

(All amounts are in USD ($) crores except share data and otherwise stated)

	Notes	Year ended 31 March 2025	Year ended 31 March 2024
Profit attributable to:			
Owners of the Company		0.43	0.24
Non-controlling interests		-	-
Profit for the year		**0.43**	**0.24**
Other comprehensive income attributable to:			
Owners of the Company		-	-
Non-controlling interests		-	-
Other comprehensive income for the year		**-**	**-**
Total comprehensive income attributable to:			
Owners of the Company		0.43	0.24
Non-controlling interests		-	-
Total comprehensive income for the year		**0.43**	**0.24**
Earnings per share			
Basic and diluted earnings per share (USD)	23D	**69.63**	**39.02**

The notes from 1 to 37 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 Logistics Investments USA Inc.

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : July 1, 2025

Ron Dover
Director

Place : St Louis, Missouri
Date : July 1, 2025

TVS Logistics Investment USA Inc.
Consolidated Statement of Changes in Equity for the year ended 31 March 2025
(All amounts are in USD ($) crores except share data and otherwise stated)

A	**Equity Share Capital**	**Amount**
	Balance as at 1 April 2023	**0.62**
	Changes in equity share capital during the year	-
	Balance as at 31 March 2024	**0.62**
	Changes in equity share capital during the year	0.30
	Balance as at 31 March 2025	**0.92**

B	**Other equity**	**Retained earnings**	**Securities Premium**	**Items of OCI**	**NCI**	**Total**
				FCTR		
	Balance as at 1 April 2023	**(2.30)**	**-**	**(0.04)**	**(0.04)**	**(2.38)**
	Total comprehensive income for the year ended 31 March 2024					
	Profit for the year	0.24	-	-	-	0.24
	Other comprehensive income (net of tax)	-	-	-	-	-
	Total comprehensive income	**0.24**	**-**	**-**	**-**	**0.24**
	Contributions by and distribution to owners					
	Capital contribution during the year	-	3.31	-	-	**3.31**
	Total contributions by and distributions to owners	**-**	**3.31**	**-**	**-**	**3.31**
	Balance as at 31 March 2024	**(2.06)**	**3.31**	**(0.04)**	**(0.04)**	**1.17**
	Balance as at 1 April 2024	**(2.06)**	**3.31**	**(0.04)**	**(0.04)**	**1.17**
	Total comprehensive income for the year ended 31 March 2025					
	Profit for the year	0.43	-	-	-	0.43
	Other comprehensive income (net of tax)	-	-	-	-	-
	Total comprehensive income	**0.43**	**-**	**-**	**-**	**0.43**
	Contributions by and distribution to owners					
	Issue of shares during the year	-	0.03	-	-	0.03
	Dissolution of subsidiary company	(0.04)	-	-	0.04	-
	Total contributions by and distributions to owners	**(0.04)**	**0.03**	**-**	**0.04**	**0.03**
	Balance as at 31 March 2025	**(1.67)**	**3.34**	**(0.04)**	**-**	**1.63**

The notes from 1 to 37 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 Logistics Investments USA Inc.

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : July 1, 2025

Ron Dover
Director

Place : St Louis, Missouri
Date : July 1, 2025

TVS Logistics Investment USA Inc.
Consolidated Statement of Cash Flows for the year ended 31 March 2025
(All amounts are in USD ($) crores except share data and otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Cash flows from operating activities		
Profit/(Loss) before tax	0.58	0.04
Adjustments for:		
Depreciation of property, plant and equipment	0.13	0.12
Amortisation of intangibles	0.03	0.02
Amortisation of right of use assets	0.42	0.35
Finance costs	0.20	0.28
Loss/(gain) on sale of property, plant and equipment	-	(0.01)
Interest income	(0.07)	(0.07)
	1.29	**0.73**
Working capital adjustments:		
(Increase) / decrease in inventories	0.16	(0.18)
(Increase) / decrease in trade receivables	(0.65)	(0.42)
(Increase) / decrease in other current and non-current, financial and non-financial assets	(0.08)	0.03
Increase / (decrease) in trade payables	0.03	0.05
Increase / (decrease) in provisions	0.01	(0.01)
Increase / (decrease) in other current and non-current financial and non-financial liabilities	0.24	(0.22)
Cash generated from operating activities	**1.00**	**(0.02)**
Income tax refund/(paid) (net)	(0.12)	0.09
Net cash from operating activities (A)	**0.88**	**0.07**
Cash flows from investing activities		
Investment in bank deposits having an original maturity of more than three months	-	0.10
Interest received	0.07	0.07
Loans (given)/repaid to/by related party	0.12	(0.18)
Proceeds from sale of property, plant and equipment and intangibles	0.06	-
Purchases of property, plant and equipment	(0.95)	(0.18)
Purchases of intangible assets	(0.02)	(0.03)
Net cash used in investing activities (B)	**(0.72)**	**(0.22)**

TVS Logistics Investment USA Inc.
Consolidated Statement of Cash Flows for the year ended 31 March 2025
(All amounts are in USD ($) crores except share data and otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Cash flows from financing activities		
Proceeds from capital contribution	0.33	3.31
Interest paid to related party	(0.10)	(0.20)
Payment of finance lease obligations	(0.46)	(0.33)
Proceeds of borrowings from related party	0.14	-
Repayment of borrowings from related party	-	(2.80)
Net cash flow from (used in) financing activities (C)	**(0.09)**	**(0.02)**
Net increase in cash and cash equivalents (A+B+C)	**0.07**	**(0.17)**
Cash and cash equivalents at the begnining of the year	0.58	0.75
Cash and cash equivalents as the end of the year	**0.65**	**0.58**

The notes from 1 to 37 form an integral part of the consolidated financial statements.

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : July 1, 2025

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Ron Dover
Director

Place : St Louis, Missouri
Date : July 1, 2025

1 Reporting entity

TVS Logistics Investments USA, Inc. ("TVS LI USA" or the "Company") together with its subsidiaries (collectively, the "Group") is a wholly owned subsidiary of TVS Supply Chain Solutions Limited (formerly known as TVS Logistics Services Limited) ("TVS SCS"or the "holding company"), located in Chennai, India.

The Group is a distributor of industrial supplies and a provider of specialized logistics and material management services throughout the United States. The Group has facilities located in Michigan, South Carolina, North Carolina and Missouri. The Company was formed on December 1, 2010 to acquire interests in operating companies in the United States. These consolidated financial statements are prepared for meeting the financial reporting requirements of the holding Company.

2 Basis of preparation

A Statement of compliance and going concern

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), to comply with reporting requirements of holding company. The consolidated financial statements are presented in US Dollars ("USD") crores, except when otherwise indicated. All the significant intercompany balances and transactions have been eliminated in consolidation.

As at March 31 2025, the net worth of the Group is fully eroded on account of operational losses and the Group's current liabilities exceed the current assets. The Group has made a detailed assessment of its liquidity position using available information, estimates and judgements.

Further, the Parent Company has provided letter of support, necessary to sustain the operations in the foreseeable future to meet the Group's obligation as and when they fall due for the next twelve month from the date of approval of this consolidated financial statements. Based on the foregoing, management believes that the group will be able to pay its obligations as and when these become due in the foreseeable future. Accordingly, these special purpose consolidated financial statements have been prepared on a going concern basis.

Details of the Company's accounting policies are included in Note 3.

Audited consolidated financial statements of the Group as at and for the year ended March 31, 2025 which were prepared in accordance with Indian Accounting Standard, as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "Ind AS"), which have been approved by the Board of Directors at their meeting held on July 1, 2025.

B Functional and presentation currency

These consolidated financial statements are presented in United States Dollars (USD), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crores, unless otherwise stated.

C Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Contingent consideration in business combination	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

D Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Note 3 (K) & 4 - Recognition of revenue
- Note 3 (D), (E) & (G), 13 and 14 - Property, plant and equipment and intangible assets – useful lives and impairment
- Note 3 (C), 17 & 34 - Allowances for credit losses for trade receivables
- Note 3 (G) (ii) & 14 - Impairment testing for goodwill
- Note 3 (L) & 15 - Lease classification, termination and renewal option of leases

2 Basis of preparation (continued)

D Use of estimates and judgements (continued)

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended March 31, 2025 is included in the following notes:
- Note 12 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 14 - Impairment testing for goodwill
- Note 34 – Impairment of Financial Instruments.

E Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Group assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 34 – financial instruments

F Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

3 Material accounting policies

A Basis of consolidation

i. Business combinations

In accordance with Ind AS 103, the Company accounts for the business combinations using the acquisition method when control is transferred to the Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Acquisition related costs are expensed as incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. The determination of the amount to be included in consideration transferred is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii. Non-controlling interests (NCI)

An entity has a choice on a combination-by-combination basis to measure any NCI that represents present ownership interest in the acquiree at either fair value or the proportionate share of the acquiree's net identifiable assets. In respect of business combinations effected so far, the Group has elected one of the two approaches on a combination by combination basis.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iv. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

v. Obtaining control over existing investment

The difference between the fair value of the initial interest as the date of obtaining control and its book value has been recognised in the statement of profit and loss.

vi. Consolidation procedure

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3 Material accounting policies (continued)

A Basis of consolidation (continued)

vii. Uniform accounting policies

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

B Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

ii. Foreign operations

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements) including goodwill and fair value adjustments arising on acquisition, are translated into USD, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into USD at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

C Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

− the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

− the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3 Material accounting policies (continued)

C Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses
Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities
The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting
Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

D Property, plant and equipment

i. Recognition and measurement
Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure
Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

3 Material accounting policies (continued)

D Property, plant and equipment (continued)

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Plant and Equipment	3-10
Furniture and fixtures	1-10
Vehicles	8-10
Computer equipment	3-6
Leasehold improvements	1-9*

* Leasehold improvements are amortised on a straight line basis over the useful life of the asset or the lease period whichever is lower.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from those prescribed in Schedule II of the Act.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

E Goodwill and other intangibles

i. Goodwill

For measurement of goodwill that arises on a business combination, it represents the excess of (a) consideration paid for acquiring control and (b) acquisition date fair value of previously held ownership interest, if any, in a subsidary over the Group's share in the fair value of the net assets (including identifiable intangibles) of the subsidary as on the date of acquisition of control. Subsequent measurement is at cost less any accumulated.

ii. Other intangible assets

Other intangible assets including those acquired by the Group in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

iii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iv. Amortisation

Goodwill is not amortised and is tested for impairment annually.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Computer software	1-6

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

F Inventories

Inventories consist of packing materials, stores, stock in trade and spare parts and are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item by item basis.

3 Material accounting policies (continued)

G Impairment

i. Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on
- financial assets measured at amortised cost.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is 'credit - impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12 month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward - looking information.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested for impairment annually.

Further the group has performed impairment analysis of Goodwill and other tangible/intangible assets using financial projections approved by the Board.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

3 Material accounting policies (continued)

G Impairment (continued)

ii. Impairment of non-financial assets (continued)

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

H Employee benefits

(i) Short-term employee benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Share-based payment transactions
The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an employee benefit expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(iii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group and its subsidiaries in various geographies make contributions, generally determined as a specified percentage of employee salaries, in respect of qualifying employees in accordance with the local laws and regulations in the respective countries which are defined contribution plans. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

(iv) Compensated Absences
Accumulated compensated absences, which are expected to be availed within 12 months from the end of the year are treated as short term employee benefits. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

I Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

3 Material accounting policies (continued)

J Contingent liabilities and contingent assets

Contingent liability is disclosed for all:
- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group (or)
- present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Group discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

K Revenue

i. Sale of Products
Revenue from sales of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns and trade discounts/rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods and the amount of revenue can be measured reliably.

ii. Rendering of services
Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. Such revenue is recognised upon the Group's performance of its contractual obligations and on satisfying all the following conditions:
(1) Parties to the contract have approved the contract and undertaken to perform their respective obligations;
(2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the "Transfer");
(3) Such contract contains specific payment terms in relation to the Transfer;
(4) Such contract has a commercial nature, namely, it will change the risk, time distribution or amount of the Group's future cash flow;
(5) The Group is likely to recover the consideration it is entitled to for the Transfer to customers.

Revenue is recognised when no significant uncertainty exists regarding the collection of the consideration. The amount recognised as revenue is exclusive of all indirect taxes and net of returns and discounts.

Performance Obligations:

Supply chain management
The Group's supply chain management segment generates revenue from services to its customers such as warehousing, packaging, kitting, reverse logistics and inventory management contracts ranging from a few months to a few years. The Group's performance obligations are satisfied over time as customers simultaneously receive and consume the benefits of the Group's services. The contracts contain a single performance obligation, as the distinct services provided remain substantially the same over time and possess the same pattern of transfer. The transaction price is based on the consideration specified in the contract with the customer and contains fixed and variable consideration. In general, the fixed component of a contract represents amounts for facility and equipment costs incurred to satisfy the performance obligation and is recognized over the term of the contract.

Variable consideration:
Generally, the Group's contracts contain provisions for adjustments to pricing based on achieving agreed-upon performance metrics, changes in volumes, services and market conditions. Revenue relating to these pricing adjustments is estimated and included in the consideration if it is probable that a significant revenue reversal will not occur in the future. The estimate of variable consideration is determined either by the expected value or most likely amount method and factors in current, past and forecasted experience with the customer. Customers are billed based on terms specified in the revenue contract and remit payment according to approved payment terms.

Contract balances:
a) Contract assets:
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

3 Material accounting policies (continued)

b) Contract liabilities:
A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

L Leases

Group as lessee
The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are subject to impairement.

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's Balance Sheet.

(ii) Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3 Material accounting policies (continued)

L Leases (continued)

(iv) Key matters involving significant judgement

(a) Determining the lease term of contracts with termination options – Group as lessee
As per Ind AS 116, termination options are to be considered in determining the non-cancellable period. The period covered by the termination option is included if the lessee is not reasonably certain to exercise the option. Lease term is the non-cancellable period of a lease, together with any optional periods that the lessee is reasonably certain to use. The non-cancellable period of a lease is any period during which the lessee cannot terminate the contract. Consequently, any non-cancellable period in effect sets a minimum lease term. This is usually referred as "lock-in" period in the lease contract. Generally, the lease contracts are cancellable once the "lock-in" period is over, and, in most cases, the termination option is mutually available with minimum notice period requirements under the contract.

In general, since Group has made significant investments in each of the warehouse in the form of leasehold improvements, racking equipment etc. and the termination would lead to additional expenses (losses) for dismantling and would lead to business disruption, the management in general has concluded that there is economic disincentive for the Group to discontinue / terminate any arrangement. Accordingly, applying Para B34 of Ind AS 116, except for specific cases, the Group concludes that non-cancellable period generally includes the lease period covered by the option to terminate.

(b) Determining the lease term of contracts with renewal options – Group as lessee
As per Ind AS 116, the period covered by extension option is included if the lessee is reasonably certain to exercise the option.

As reasonable certainty is a high threshold, the group believes in most leases where the lease term is greater than 3 years assuming reasonable certainty on lease commencement date may not be appropriate and must be evaluated on a case to case basis, considering factors such as investment in the property, renewal lease rates, specific modifications to property to meet customer requirements, importance of the location and impact on overall business disruption etc.

M Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

N Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

3 Material accounting policies (continued)

N Income tax (continued)

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

O Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

P Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

Q Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated.

R Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Key managerial personnel comprising the Managing Director and Deputy Managing Director assess the financial performance and position of the Group, and make strategic decisions and have been together identified as being the chief operating decision maker ('CODM').

S Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3A Operating segments

The Group has only one reportable segment namely Integrated Supply Chain Solutions ("ISCS"). Accordingly reporting under Ind AS 108 Operating Segments is not applicable to the Group.

4 Revenue from operations

	Year ended 31 March 2025	Year ended 31 March 2024
Sale of products	5.90	5.18
Sale of services		
Income from logistics services	6.28	4.43
	6.28	**4.43**
Total	**12.18**	**9.61**

5 Other income

	31 March 2025	31 March 2024
Gain on sale of Property, plant and equipment	-	0.01
Interest income on loan to related parties (Refer Note 32)	0.07	0.07
Others	0.01	-
	0.08	**0.08**

6 Purchase of stock in trade

	31 March 2025	31 March 2024
Purchase of stock in trade	5.13	4.69
	5.13	**4.69**

7 Change in inventory of stock-in-trade

	31 March 2025	31 March 2024
Inventories at the beginning of the year		
Stock-in-trade	1.18	1.00
Inventories at the end of the year		
Stock-in-trade	(1.02)	(1.18)
	0.16	**(0.18)**

8 Employee benefits expense

	31 March 2025	31 March 2024
Salaries, wages and bonus	3.35	2.63
Contribution to provident and other funds	0.32	0.26
Staff welfare expenses	0.02	0.03
Recruitment Expenses	-	0.01
Employee insurance expenses	0.54	0.54
	4.23	**3.47**

9 Finance costs	31 March 2025	31 March 2024
Interest expense on borrowings - Intercompany (Refer Note 32)	0.10	0.20
Finance cost of finance lease obligations	0.10	0.08
	0.20	**0.28**

10 Depreciation and amortization expense	31 March 2025	31 March 2024
Depreciation of property, plant and equipment	0.13	0.12
Depreciation of right-of-use assets	0.42	0.35
Amortisation of intangible assets	0.03	0.02
	0.58	**0.49**

11 Other expenses	31 March 2025	31 March 2024
Rent, leasing and hiring charges	0.17	0.15
Consumption of stores and spares	0.07	0.06
Power and fuel	0.03	0.05
Rates and taxes	0.01	-
Insurance	0.06	0.06
Repairs and maintenance	0.08	0.10
Advertisement and business promotion	0.01	-
Travelling and conveyance	0.07	0.10
Communication costs	0.02	0.02
Printing and stationery	0.01	0.01
Bank charges	0.01	-
Legal and professional fees	0.12	0.09
Security expenses	0.06	0.06
Loss (gain) on foreign currency transactions and translations	0.01	-
Management fees	-	0.06
Software expenses	0.08	0.07
Factoring charges	-	0.01
Others	0.09	-
	0.90	**0.84**

12 Tax expenses

A	Amounts recognised in profit or loss	Year ended 31 March 2025	Year ended 31 March 2024
	Current tax (a)		
	Current tax on profits for the year	0.11	0.04
	Taxes relating to earlier years	-	(0.02)
		0.11	**0.02**
	Deferred tax (b)		
	Attributable to origination and reversal of temporary differences	0.04	(0.17)
	Recognition of previously unrecognised tax losses	-	(0.05)
		0.04	**(0.22)**
	Total Tax expenses (a+b)	**0.15**	**(0.20)**

B	Reconciliation of effective tax rate	Year ended 31 March 2025	Year ended 31 March 2024
	Profit before share of profit of equity accounted investee and income tax	0.58	0.04
	Income tax expense at tax rates applicable to individual entities	0.15	0.01
	Effect of :		
	Recognition of deferred tax asset on earlier year losses	-	(0.22)
	Items / current year losses for which no deferred tax asset was recognised	-	0.03
	Change in previously unrecognised tax losses	(0.02)	(0.05)
	Others	0.02	0.03
	Income tax expense as per statement of profit and loss	**0.15**	**(0.20)**

C Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following :

Deferred tax assets (net)	31 March 2025	31 March 2024
Provision for employee benefits	0.01	0.01
Provision for others	0.01	0.01
Carried forward tax losses	0.19	0.24
Right of use asset and liability	0.03	0.03
Deferred tax assets	**0.24**	**0.29**
Property, plant and equipment	0.02	0.03
Deferred tax liabilities	**0.02**	**0.03**
Net Deferred tax assets	**0.22**	**0.26**

12 Income tax expense (continued)

C. Recognised deferred tax assets and liabilities (continued)

Movement in deferred tax assets and liabilities

	Balance as at 1 April 2023	Recognised in Profit & Loss	Balance as at 31 March 2024	Recognised in Profit & Loss	Balance as at 31 March 2025
Deferred tax assets (net)					
Provision for employee benefits	0.01	-	0.01	-	0.01
Provision for others	0.01	-	0.01	-	0.01
Carried forward tax losses	0.05	0.19	0.24	(0.05)	0.19
Tax incentives	0.02	(0.02)	-	-	-
Right of use asset and liability	0.01	0.02	0.03	-	0.03
Deferred tax assets	0.10	0.19	0.29	(0.05)	0.24
Property, plant and equipment	0.04	(0.01)	0.03	(0.01)	0.02
Prepaid expense	0.01	(0.01)	-	-	-
Others	0.01	(0.01)	-	-	-
Deferred tax liabilities	0.06	(0.03)	0.03	(0.01)	0.02
Net Deferred tax assets	**0.04**	**0.22**	**0.26**	**(0.04)**	**0.22**
Net amount recognised in statement of profit and loss / other comprehensive income		**(0.22)**		**0.04**	

13 Property, plant and equipment

A Reconciliation of carrying amount

	Plant and equipment	Furniture and fixtures	Computer equipment	Leasehold improvements	Vehicles	Total
Gross carrying amount						
Balance at 1 April 2023	0.33	0.09	0.14	0.11	0.02	0.69
Other additions	0.02	0.02	0.08	0.06	0.01	0.19
Disposals	(0.08)	-	-	-	(0.02)	(0.10)
Balance at 31 March 2024	**0.27**	**0.11**	**0.22**	**0.17**	**0.01**	**0.78**
Balance at 1 April 2024	0.27	0.11	0.22	0.17	0.01	0.78
Other additions	0.07	0.03	0.01	0.01	-	0.12
Disposals	(0.01)	(0.07)	-	(0.02)	(0.01)	(0.11)
Balance at 31 March 2025	**0.33**	**0.07**	**0.23**	**0.16**	**-**	**0.79**
Accumulated depreciation and Impairment losses						
Balance at 1 April 2023	0.22	0.02	0.11	0.08	0.02	0.45
Depreciation for the year	0.06	0.01	0.02	0.02	0.01	0.12
Disposals	(0.08)	-	-	-	(0.02)	(0.10)
Balance at 31 March 2024	**0.20**	**0.03**	**0.13**	**0.10**	**0.01**	**0.47**
Balance at 1 April 2024	0.20	0.03	0.13	0.10	0.01	0.47
Depreciation for the year	0.05	0.01	0.03	0.04	-	0.13
Disposals	(0.01)	(0.02)	-	(0.01)	(0.01)	(0.05)
Balance at 31 March 2025	**0.24**	**0.02**	**0.16**	**0.13**	**-**	**0.55**
Carrying amounts (net)						
As at 31 March 2024	**0.07**	**0.08**	**0.09**	**0.07**	**-**	**0.31**
As at 31 March 2025	**0.09**	**0.05**	**0.07**	**0.03**	**-**	**0.24**

13B Capital work-in-progress & Intangible assets under development

A Ageing of capital work-in-progress & intangible assets under development

As of 31 March 2025	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**> 3 years**	**Total**
Projects in progress					
Capital work-in-progress	0.84	-	-	-	0.84
Intangible assets under development	0.01	-	-	-	0.01
	0.85	**-**	**-**	**-**	**0.85**

As of 31 March 2024	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**> 3 years**	**Total**
Projects in progress					
Capital work-in-progress	0.02	-	-	-	0.02
Intangible assets under development	0.01	-	-	-	0.01
	0.03	**-**	**-**	**-**	**0.03**

14 Intangible assets

a Reconciliation of carrying amount

	Goodwill	Computer software	Total (Excluding Goodwill)
Gross carrying amount			
Balance at 1 April 2023	**0.72**	**0.14**	**0.14**
Other additions	**-**	0.04	0.04
Balance at 31 March 2024	**0.72**	**0.18**	**0.18**
Balance at 1 April 2024	**0.72**	**0.18**	**0.18**
Other additions	-	0.02	0.02
Balance at 31 March 2025	**0.72**	**0.20**	**0.20**
Accumulated amortization and impairment loss			
Balance at 1 April 2023	**-**	**0.12**	0.12
Amortization for the year	-	0.02	0.02
Balance at 31 March 2024	**-**	**0.14**	**0.14**
Balance at 1 April 2024	**-**	**0.14**	0.14
Amortization for the year	-	0.03	0.03
Balance at 31 March 2025	**-**	**0.17**	**0.17**
Carrying amounts (net)			
At 31 March 2024	**0.72**	**0.04**	**0.04**
At 31 March 2025	**0.72**	**0.03**	**0.03**

14 Intangible assets (continued)

b Goodwill Impairment

The Group has performed impairement tests of goodwill for the year ending March 31, 2025. For the purpose of impairement testing, goodwill is allocated to the cash generating units which are expected to benefit from the synergies of the corresponding business combinations. The goodwill impairement test is performed at the level of cash generating unit or a group of cash generating units represented by a common business segment. Cash flows beyond the five year period are extrapolated by using the estimated long term growth rates. The growth rates do not exceed the long term average growth rate for the logistics/supply chain industry in which the cash generating unit operates. Future cash flows are discounted based on the weighted average cost of capital (WACC), taking into account the risks that are specific to the cash generating units.

Impairment: Key assumptions used for calculating the value in use:

Cash generating unit	**SCS NA Group**
Carrying amount of goodwill March 2025	0.72
Carrying amount of goodwill March 2024	0.72
Basis of recoverable amount	Value in use
Pre-tax discount rate March 2025	12.7%
Pre-tax discount rate March 2024	8.4%
Projection period	5 Years
Terminal growth rate March 2025	1.0%
Terminal growth rate March 2024	1.0%

Key assumptions have not changed significantly compared to the previous year with the exception of discount rates used. For March 2025, the recoverable amounts exceeded their carrying amounts and consequently no impairement of goodwill was recognised for the year ending March 31, 2025.

Management considers that it is not likely for the assumptions used to change so significantly, as to eliminate the excess of recoverable amounts.

15 Right of use assets

a The assets leased consist of vehicles forklifts and warehouses for a lease term of more than 12 months.

b Set out below are the carrying amounts of right of use assets recognised and the movements during the year

	Building	Plant and equipment	Vehicles	Total
Net carrying amount				
Balance as at 1 April 2023	**1.34**	**0.01**	**0.06**	**1.41**
Additions	0.55	0.04	0.01	0.60
Amortisation (less)	(0.31)	(0.01)	(0.03)	(0.35)
Currency translation and others	-	-	0.01	0.01
Balance as at 31 March 2024	**1.58**	**0.04**	**0.05**	**1.67**
Additions	-	-	-	-
Reversals (less)	-	(0.01)	(0.03)	(0.04)
Amortisation (less)	(0.40)	(0.02)	-	(0.42)
Balance as at 31 March 2025	**1.18**	**0.01**	**0.02**	**1.21**

c Set out below are the carrying amounts of lease liabilities and the movement during the year

	31 March 2025	31 March 2024
Balance at the beginning of the year	1.78	1.44
Additions	-	0.59
Accretion of interest	0.10	0.08
Payments	(0.46)	(0.33)
Reversals	(0.04)	-
Balance at the end of the year	**1.38**	**1.78**
Current	0.56	0.48
Non - Current	0.82	1.30

d The following are recongnised in the statement of profit and loss

	31 March 2025	31 March 2024
Amortisation expenses of right of use assets	0.42	0.35
Interest expenses on lease liabilities	0.10	0.08
Expenses relating to short term leases and leases of low value assets	0.17	0.15
Total amount recognised in profit or loss	**0.69**	**0.58**

16 Inventories

	31 March 2025	31 March 2024
Stock in trade (Includes in Transit of $0.11 (31 Mar 2024- $0.18))	1.02	1.18
	1.02	**1.18**

17 Trade receivables

	31 March 2025	31 March 2024
Gross trade receivables		
Unsecured, considered good from others	1.41	0.76
Trade Receivables which have significant increase in credit Risk	-	0.01
	1.41	0.77
Loss allowance		
Unsecured, considered good	-	(0.01)
	-	(0.01)
Net trade receivables	**1.41**	**0.76**

31 March 2025	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good							
Undisputed, external	1.29	0.08	0.01	-	-	-	**1.38**
Intercompany	-	0.03	-	-	-	-	**0.03**
	1.29	**0.11**	**0.01**	**-**	**-**	**-**	**1.41**
Trade Receivables which have significant increase in credit Risk							
Undisputed, external	-	-	-	-	-	-	**-**
	-	**-**	**-**	**-**	**-**	**-**	**-**
Total	**1.29**	**0.11**	**0.01**	**-**	**-**	**-**	**1.41**

31 March 2024	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good							
Undisputed, external	0.73	0.02	-	-	-	-	**0.75**
Intercompany	0.01	-	-	-	-	-	**0.01**
	0.74	**0.02**	**-**	**-**	**-**	**-**	**0.76**
Trade Receivables which have significant increase in credit Risk							
Undisputed, external	-	-	-	0.01	-	-	**0.01**
	-	**-**	**-**	**0.01**	**-**	**-**	**0.01**
Total	**0.74**	**0.02**	**-**	**0.01**	**-**	**-**	**0.77**

18 Loans

	31 March 2025	31 March 2024
Loan to related parties		
Unsecured, considered good (Refer Note 32)	0.93	1.05
	0.93	**1.05**

19 Deposits and other receivables

	Current	
	31 March 2025	31 March 2024
Security deposits		
Unsecured considered good	0.01	0.02
Other receivables		
Receivable from related parties (Refer Note 32)	0.18	0.13
	0.19	**0.15**

20 Tax assets net

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Tax assets				
Advance tax	0.07	0.06	-	-
	0.07	**0.06**	**-**	**-**

21 Cash and cash equivalents

	31 March 2025	31 March 2024
Balance with banks		
On current accounts	0.65	0.58
	0.65	**0.58**

22 Other current assets

	31 March 2025	31 March 2024
Advance related to supply of goods and services to parties other than related parties		
Unsecured, considered good	0.02	-
Unbilled revenue	0.02	0.01
Other current assets		
Prepayment	0.06	0.06
	0.10	**0.07**

23A Share capital

	31 March 2025	31 March 2024
Authorised share capital		
120,000 (31 March 2024: 120,000) Common stock of USD 100 each	1.20	1.20
	1.20	1.20
Issued, subscribed and paid up		
Common stock		
91,410 (31 March 2024: 61,510) Common stock of USD 100 each	0.62	0.62
	0.62	**0.62**

a. Reconciliation of shares outstanding at the beginning and at end of the reporting year

	31 March 2025		31 March 2024	
	Nos	in LC	Nos	in LC
Equity shares				
At the beginning of the year	61,510	0.62	61,510	0.62
Movements during the year	29,900	0.30	-	-
Outstanding at the end of the year	**91,410**	**0.92**	**61,510**	**0.62**

b. Terms/rights attached to equity shares

The Company has one class of equity shares having face value of USD 100 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company	31 March 2025		31 March 2024	
	Number of shares	% holding	Number of shares	% holding
Equity shares of USD 100 each, fully paid up				
TVS Supply Chain Solutions Limited (Formerly known as TVS Logistics Services Limited)	91,410	100%	61,510	100%

d. Details of shareholding of promoters

	31 March 2025			31 March 2024		
	Number of shares	% holding	% Change During the year	Number of shares	% holding	% Change During the year
TVS Supply Chain Solutions Limited (Formerly known as TVS Logistics Services Limited)	91,410	100%	0%	61,510	100%	0%

23B Other items of OCI

	31 March 2025	31 March 2024
Opening balance	(0.04)	(0.04)
Exchange differences in translating financial statements of foreign operations	-	-
	(0.04)	**(0.04)**

23C Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

	31 March 2025	31 March 2024
Total current and non-current borrowings	1.57	1.43
Debt	**1.57**	**1.43**
Total equity	2.55	1.79
Debt to equity ratio	**0.62**	**0.80**

23D Earnings per share

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows

(i) Profit (loss) attributable to equity shareholders	31 March 2025	31 March 2024
Profit (loss) for the year, attributable to equity shareholders	0.43	0.24

(ii) Weighted average number of equity shares	31 March 2025	31 March 2024
Weighted average number of equity shares outstanding during the year	61,755	61,510
Weighted average number of equity shares	**61,755**	**61,510**

(iii) Basic and diluted earnings per share (USD)	**69.63**	**39.02**

24 Borrowings

	31 March 2025	31 March 2024
(a) Current borrowings		
Loan from related parties		
Interest charged loan from related parties (Refer Note 32)	1.57	1.43
	1.57	**1.43**

A. Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

	Currency	Nominal Interest rate	Year of maturity	Carrying amount as at 31 March 2025	Carrying amount as at 31 March 2024
Unsecured loans repayable on demand (Including intercompany)					
TVS Supply Chain Solutions Pte. Ltd.	USD	6%	Demand	0.14	-
TVS Supply Chain Solutions Limited	USD	2% plus SOFAR	Demand	1.43	1.43
				1.57	**1.43**

B. Details of security for secured loans

Loans repayable on demand from related parties

Unsecured term loan from related parties

During 2023, TVS Logistics Investments USA entered into an agreements with TVS Supply Chain Solutions Limited for securing loan upto $8,500,000 and $5,821,000. The Company has drawn down an amount of $14,321,000 as at March 31, 2025 ($14,320,970 as at March 31, 2024). The loan is repayable on demand. The loan carries an effective interest of 2% plus SOFAR p.a.

25 Provisions

	Current	
	31 March 2025	**31 March 2024**
Provisions for employee benefits		
Liability for compensated absences	0.09	0.08
	0.09	**0.08**

26 Trade payables

	31 March 2025	31 March 2024
Trade and other payables to intercompany	0.22	0.30
Other trade payables - services	0.81	0.69
Other trade payables - goods	0.32	0.33
	1.35	**1.32**

31 March 2025	**Unbilled Dues**	**Not due**	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Undisputed dues - Others	-	0.64	0.49	-	-	-	**1.13**
Intercompany	-	0.01	0.03	-	-	0.18	**0.22**
	-	**0.65**	**0.52**	**-**	**-**	**0.18**	**1.35**

31 March 2024	**Unbilled Dues**	**Not due**	**< 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Undisputed dues - Others	0.36	0.48	0.18	-	-	-	**1.02**
Intercompany	-	0.03	-	0.04	0.06	0.17	**0.30**
	0.36	**0.51**	**0.18**	**0.04**	**0.06**	**0.17**	**1.32**

27 Other financial liabilities

	Non-Current		Current	
	31 March 2025	**31 March 2024**	**31 March 2025**	**31 March 2024**
Amount due to employees	-	-	0.31	0.17
Long term dues payable in respect of purchase of fixed assets	0.30	-	-	-
Interest accrued and due on borrowings – related party	-	-	0.04	0.15
Capital creditors	-	-	-	0.01
Payable to related party	-	-	0.01	0.12
	0.30	**-**	**0.36**	**0.45**

28 Other non current liabilities

	31 March 2025	31 March 2024
Deferred revenue	0.02	0.02
	0.02	**0.02**

29 Other current liabilities

	31 March 2025	31 March 2024
Deferred revenue	0.03	-
Statutory dues	0.01	0.01
	0.04	**0.01**

30 Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"

A Disaggregation of revenue

Segment	31 March 2025			31 March 2024		
	USA	Outside USA	Total	USA	Outside USA	Total
Type of goods or service						
Revenue from supply chain management services	12.18	-	12.18	9.53	0.08	9.61
Total revenue from contracts with customers	**12.18**	**-**	**12.18**	**9.53**	**0.08**	**9.61**

Revenues from external customers in respect of each category of services rendered by the Group are as follows:

Revenue	31 March 2025	31 March 2024
Outsourced supply chain management	12.18	9.61
	12.18	**9.61**

B Summary of contract balances

Particulars	31 March 2025	31 March 2024
Trade Receivables	1.41	0.76
Contract Assets	0.02	0.01

C Reconciliation of revenue from sale of products/services with the contracted price

Particulars	31 March 2025	31 March 2024
Revenue as per contracted price	12.18	9.61
Less: Trade discounts, volume rebates etc.	-	-
Revenue as per statement of profit and loss	12.18	9.61

31 Transfer pricing

The Company and its subsidiaries each have international and domestic transactions with related parties. The management confirms that it maintains documents as prescribed by the respective laws and regulations of the various jurisdictions in which the Group operates to prove that the international and domestic transactions are at arm's length and the aforesaid laws and regulations will not have any impact on the consolidated financial statements, particularly on the amount of tax expense and that of provision for taxation upto and for the year ended March 31, 2025.

32 Related Party disclosures

A. Ultimate holding company	TVS Supply Chain Solutions Limited
B. Subsidiaries	TVS Supply Chain Solutions, North America, Inc. TVS Transporation Solutions, LLC. TVS Supply Chain Solutions De Mexico, S.A. DE C.V. TVS Packaging Solutions Inc. US
C. Fellow subsidiaries	TVS Supply Chain Solutions Limited, UK TVS Supply Chain Solutions Pte. Ltd. Rico Logistics Limited, UK TVS Logistics Investment UK Limited TVS SCS Logistics Ltd TVS SCS Singapore Pte. Ltd TVS SCS Taiwan Limited TVS SCS Global Freight Solutions Ltd. TVS SCS (Aust) Pty. Ltd.
D. Companies under common directorship/Private Companies in which our director is a member/ Entities controlled by KMP or relatives of KMP of the Company	TVS Srichakra Limited

i. Transactions during the year:	**31 March 2025**	**31 March 2024**
Income from logistics services		
TVS Dynamic Global Freight Services Limited	0.09	-
TVS SCS Singapore Pte. Ltd	0.02	-
TVS SCS (Aust) Pty. Ltd.	0.14	-
TVS SCS Logistics Ltd	0.01	-
Other Income		
Rico Logistics Limited, UK - Interest	0.01	0.01
TVS Logistics Investments UK, Limited	0.06	0.06
Purchase of stock in trade		
TVS SCS Logistics Ltd	-	0.03
TVS SCS Taiwan Limited	-	0.01
Freight expenses		
TVS SCS Logistics LTD	0.02	-
TVS Dynamic Global Freight Services Limited	0.04	-
Expenses incurred on behalf of		
TVS Supply Chain Solutions Limited	-	0.02
TVS Srichakra Limited	0.01	-
SPC International Inc.	-	0.02

32 Related Party disclosures (continued)

i. Transactions during the year:	31 March 2025	31 March 2024
Other expenses		
TVS Supply Chain Solutions Pte. Ltd. - Interest Expense	0.01	-
TVS Supply Chain Solutions Limited - Cross charges and COE charges	0.08	-
TVS Supply Chain Solutions Pte. Ltd. - Cross charges and COE charges	0.01	-
TVS Supply Chain Solutions Limited - Management Fees	-	0.06
TVS Supply Chain Solutions Limited - Casual labour charges	-	0.01
TVS Supply Chain Solutions Limited - Interest Expense	0.09	0.10
TVS Logistics Investments UK, Limited. - Interest Expense	-	0.10

Year end balances:	31 March 2025	31 March 2024
Loans receivable from		
Rico Logistics Limited, UK	0.12	0.12
TVS Supply Chain Solutions Limited, UK	0.02	0.01
TVS Logistics Investments UK, Limited	0.79	0.92
Trade Receivable		
TVS SCS Global Freight Solutions Ltd.	0.02	0.01
TVS SCS (Aust) Pty. Ltd.	0.01	-
Other Receivable		
Rico Logistics Limited, UK	0.04	0.04
TVS Logistics Investment UK Limited	0.11	0.06
TVS Supply Chain Solutions Limited	0.03	0.03
Loans payable to		
TVS Supply Chain Solutions Pte. Ltd.	0.14	-
TVS Supply Chain Solutions Limited	1.43	1.43
Interest payable		
TVS Supply Chain Solutions Limited	0.02	0.13
TVS Supply Chain Solutions Limited, UK	0.02	0.02
Other Payable		
TVS Logistics Investment UK Limited	0.01	0.09
TVS Supply Chain Solutions Pte. Ltd.	-	0.03
Trade Payable		
TVS Supply Chain Solutions Limited	0.19	0.27
TVS SCS Logistics Ltd	-	0.01
TVS Supply Chain Solutions Pte. Ltd.	0.04	0.01
TVS SCS Taiwan Limited	0.01	0.01
TVS SCS Singapore Pte. Ltd	(0.02)	-

33 Financial instruments - Fair values and risk management

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories were as follows:

	Note	Carrying amount					
		31 March 2025			31 March 2024		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets not measured at fair value							
Loans	18	-	-	0.93	-	-	1.05
Deposits and other receivables	19	-	-	0.19	-	-	0.15
Trade receivables	17	-	-	1.41	-	-	0.76
Cash and cash equivalents	21	-	-	0.65	-	-	0.58
Total		**-**	**-**	**3.18**	**-**	**-**	**2.54**
Financial liabilities not measured at fair value							
Borrowings	24	-	-	1.57	-	-	1.43
Lease liability	15	-	-	1.38	-	-	1.78
Trade payables	26	-	-	1.35	-	-	1.32
Other financial liabilities	32	-	-	0.66	-	-	0.45
Total		**-**	**-**	**4.96**	**-**	**-**	**4.98**

The Group has not disclosed fair values of other financial instruments such as investments, deposits and other receivables, trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables, other financial liabilities because their carrying amounts are reasonable approximations of their fair values. The Group has also not disclosed fair values of investments carried at cost.

33 Financial instruments - Fair values and risk management (continued)

B. Financial risk management

The Group has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework
The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers; loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Group's trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for financial assets are as follows:

	Carrying amount	
	31 March 2025	**31 March 2024**
Trade receivables	1.41	0.76
Cash and cash equivalents	0.65	0.58
Loans	0.93	1.05
Deposits and other receivables	0.19	0.15
Total	**3.18**	**2.54**

Trade and other receivables
The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. The impairment loss at the reporting dates relates to several customers that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Group determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available information about customers from internal/external sources. The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.

Cash and cash equivalents and other bank balances
The Group holds cash and bank balances of $0.65 crores as at 31 March 2025 (31 March 2024: $0.58 crores). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Deposits and other receivables, Investments and other financial assets
The Group holds deposits and other receivables, investments and other financial assets of $1.12 crores as at 31 March 2025 (31 March 2024: $1.20 crores). The credit worthiness of such parties are evaluated by the management on an ongoing basis and is considered to be good.

33 Financial instruments - Fair values and risk management (continued)

B. Financial risk management (continued)

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

		Contractual cash flows			
	Carrying amount	**Total**	**1 year or less**	**1-5 years**	**More than 5 years**
31 March 2025					
Non derivative financial liabilities					
Current and non-current borrowings					
Unsecured loans repayable on demand	1.57	1.57	1.57	-	-
Others					
Trade payables	1.35	1.35	1.35	-	-
Lease liability	1.38	2.03	0.49	1.53	0.01
Other financial liabilities	0.66	0.66	0.66	-	-
	4.96	**5.61**	**4.07**	**1.53**	**0.01**

		Contractual cash flows			
	Carrying amount	**Total**	**1 year or less**	**1-5 years**	**More than 5 years**
31 March 2024					
Non derivative financial liabilities					
Current and non-current borrowings					
Unsecured loans repayable on demand	1.43	1.43	1.43	-	-
Others					
Trade payables	1.32	1.32	1.32	-	-
Lease liability	1.78	2.04	0.46	1.47	0.11
Other financial liabilities	0.45	0.45	0.45	-	-
	4.98	**5.24**	**3.66**	**1.47**	**0.11**

33 Financial instruments - Fair values and risk management (continued)

iv. Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and equity prices will affect the Group and the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk
Foreign exchange risk arises from a change in foreign currency exchange rate, which is expected to have an adverse effect on the Group in the current reporting period and in future years. The Group operates in several countries and subsidiary, associated and joint venture companies within the Group maintain their books and records in their respective functional currencies. The Group's accounting policy is to translate the results of overseas subsidiary companies using the weighted average exchange rates. Net assets denominated in foreign currencies and held at the financial year end are translated into US Dollar, the Group's reporting currency, at year end exchange rates. Fluctuations in the exchange rate between the functional currencies and US Dollar will therefore have an impact on the Group. It is the Group's policy not to hedge exposures arising from such translations.

Exposure to interest rate risk
The interest rate profile of the Group's interest-bearing financial instruments is as follows:

	31 March 2025	31 March 2024
Fixed rate instruments		
Financial assets		
- Loans	0.93	1.05
Financial liabilities		
- Loans repayable on demand	1.57	1.43

Fair value sensitivity analysis for fixed rate instruments
A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (deposits with banks) are carried at amortised cost, any changes in interest rates are not considered for subsequent measurement.

34 Additional information as required under Schedule III to the Companies Act 2013, of entities consolidated as subsidiaries/ associates/ joint ventures

31 March 2025	Net assets (total assets minus total		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % consolidated of total comprehensive income	Amount
Parent								
TVS Logistics Investment USA INC.	118.82%	3.03	-9.30%	(0.04)	0.00%	-	-9.30%	(0.04)
Domestic Subsidiaries - (parent's share)								
TVS America Inc., USA	0.00%	-	20.93%	0.09	0.00%	-	20.93%	0.09
TVS Supply Chain Solutions North America Inc., USA	126.27%	3.22	86.05%	0.37	0.00%	-	86.05%	0.37
TVS Transportation Solutions LLC, USA	-2.75%	(0.07)	-6.98%	(0.03)	0.00%	-	-6.98%	(0.03)
TVS SCS Manufacturing North America, Inc.	4.31%	0.11	25.58%	0.11	0.00%		25.58%	0.11
Foreign Subsidiaries - (parent's share)								
TVS Supply Chain Solutions De Mexico S.A de C.V., Mexico	-0.78%	(0.02)	-2.33%	(0.01)	0.00%	-	-2.33%	(0.01)
Non-controlling interests in all subsidiaries	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Eliminations	-145.87%	(3.72)	-13.95%	(0.06)	0.00%	-	-13.95%	(0.06)
As at 31 March 2025	**100.00%**	**2.55**	**100.00%**	**0.43**	**0.00%**	**-**	**100.00%**	**0.43**

31 March 2024	Net assets (total assets minus total		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % consolidated of total comprehensive income	Amount
Parent								
TVS Logistics Investment USA INC.	153.93%	2.74	25.00%	0.06	0.00%	-	25.00%	0.06
Domestic Subsidiaries - (parent's share)								
TVS America Inc., USA	-5.06%	(0.09)	0.00%	-	0.00%	-	0.00%	-
TVS Supply Chain Solutions North America Inc., USA	144.38%	2.57	108.33%	0.26	0.00%	-	108.33%	0.26
TVS Transportation Solutions LLC, USA	-2.81%	(0.05)	-25.00%	(0.06)	0.00%	-	-25.00%	(0.06)
Foreign Subsidiaries - (parent's share)								
TVS Supply Chain Solutions De Mexico S.A de C.V., Mexico	-0.56%	(0.01)	-12.50%	(0.03)	0.00%	-	-12.50%	(0.03)
Non-controlling interests in all subsidiaries	-2.25%	(0.04)	0.00%	-	0.00%	-	0.00%	-
Eliminations	-187.63%	(3.33)	4.17%	0.01	0.00%	-	4.17%	0.01
As at 31 March 2024	**100.00%**	**1.79**	**100.00%**	**0.24**	**0.00%**	**-**	**100.00%**	**0.24**

35 Capital commitments and contingent liabilities

The Group does not any contingent liabilities and capital commitments as at March 31, 2025 (March 31, 2024: Nil)

36 List of subsidiaries

	Country of incorporation	Ownership interest	
		31 March 2025	31 March 2024
Name of direct subsidiaries of the Company			
TVS America Inc., USA #	USA	Not Applicable	51.00%
TVS Supply Chain Solutions North America Inc., USA (formerly known as Wainwright Industries Inc. USA)	USA	100.00%	100.00%
Subsidiaries of TVS Supply Chain Solutions North America Inc., USA			
TVS Transportation Solutions LLC, USA	USA	100.00%	100.00%
TVS Supply Chain Solutions De Mexico S.A de C.V., Mexico	Mexico	100.00%	100.00%
TVS Packaging Solutions Inc. US	USA	100.00%	100.00%
TVS SCS Manufacturing North America, Inc.	USA	100.00%	Not Applicable

TVS America Inc. has been dissolved w.e.f 25th March 2025

37 Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of these consolidated financial statements.

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date : July 1, 2025

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Ron Dover
Director

Place : St Louis, Missouri
Date : July 1, 2025

TVS SCS Logistics Ltd

For the period ended
December 31, 2024

SLFCPAR No. 2025-ASJ0421

INDEPENDENT AUDITORS' REPORT

TO TVS SCS LOGISTICS LTD

I. Opinion

We have audited the financial statements of TVS SCS LOGISTICS LTD (the Company), which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with China Accounting Standards for Business Enterprises and the China "Accounting System for Business Enterprises".

II. Basis for Opinion

We conducted our audit in accordance with China Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with China Accounting Standards for Business Enterprises and the China "Accounting System for Business Enterprises", and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

IV. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with China Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

During the process of our audit in accordance with China Auditing Standards, we exercise professional judgment and maintain professional skepticism. We also:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(4) 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, we shall not express unqualified 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.

(5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the those Charged with Governance about planned scope and timing of the audit, as well as significant findings from the audit, including notable internal control weaknesses identified from the audit.

[No content on this page]

Ni Saihua, China Certified Public Accountant

Lin Lan, China Certified Public Accountant

Shanghai Linfang Certified Public Accountants Co., Ltd.
Shanghai China

May 15, 2025

TVS SCS LOGISTICS LTD
BALANCE SHEET
DECEMBER 31, 2024
(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

Item	Notes	Ending balance	Beginning balance
Current assets:			
Cash and cash equivalents	VI.1	2,945,889.41	3,625,765.08
Short-term investments			
Notes receivable			
Dividends receivable			
Interest receivable			
Accounts receivable	VI.2	99,737,903.95	55,927,728.38
Other receivables	VI.3	2,226,712.35	2,421,760.09
Advance to suppliers			
Subsidies receivable			
Inventories			
Prepaid expenses		373,629.99	421,508.48
Long-term debt investments due within one year			
Other current assets	VI.4	54,445.07	68,890.24
Total current assets		105,338,580.77	62,465,652.27
Non-current assets：			
Long-term equity investments			
Long-term debt investments			
Fixed assets-cost	VI.5	1,228,780.34	1,111,652.28
Accumulated depreciation	VI.5	907,687.10	768,196.92
Fixed assets-net value	VI.5	321,093.24	343,455.36
Provision for impairment loss on fixed assets			
Book value of fixed assets	VI.5	321,093.24	343,455.36
Construction materials			
Construction in progress			
Disposal of fixed assets			
Intangible assets			
Long-term deferred expenses	VI.6	38,331.56	54,351.87
Other long-term assets			
Deferred tax debit			
Total non-current assets		359,424.80	397,807.23
Total assets		105,698,005.57	62,863,459.50

The accompanying notes are an integral part of these financial statements.
Legal Representative：Ma Rongrong Person in charge of accounting function：Zhang Li
Person in charge of accounting department：Zhang Li

TVS SCS LOGISTICS LTD
BALANCE SHEET (CONTINUE)
DECEMBER 31, 2024
(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

Item	Notes	Ending balance	Beginning balance
Current liabilities:			
Short-term loans			
Notes payable			
Accounts payable	VI.7	29,070,347.29	14,084,728.22
Advances from customers			
Wages payable		235,272.94	1,210,328.57
Welfare payable			
Dividends payable			
Taxes payable	VI.8	8,731,193.07	2,890,551.77
Other fees payable			
Other payables	VI.9	1,028,193.50	777,661.34
Accrued expenses	VI.10	1,365,686.07	826,968.98
Contingent liability			
Long-term liabilities due within one year			
Other current liabilities			
Total current liabilities		40,430,692.87	19,790,238.88
Non-current liabilities:			
Long-term loans			
Bonds payable			
Long-term accounts payable			
Special accounts payable			
Other long-term liabilities			
Deferred tax credit			
Total non-current liabilities			
Total liabilities		40,430,692.87	19,790,238.88
Owner's equity:			
Paid-in capital	VI.11	10,500,000.00	10,500,000.00
Investment returned			
Net paid-in capital		10,500,000.00	10,500,000.00
Capital reserve	VI.12	2,922.58	2,922.58
Surplus reserve	VI.13	5,250,000.00	3,734,853.62
Undistributed profits	VI.14	49,514,390.12	28,835,444.42
Total owner's equity		65,267,312.70	43,073,220.62
Total liabilities and owner's equity		105,698,005.57	62,863,459.50

The accompanying notes are an integral part of these financial statements.
Legal Representative：Ma Rongrong　　Person in charge of accounting function：Zhang Li
Person in charge of accounting department：Zhang Li

TVS SCS LOGISTICS LTD
INCOME STATEMENT
FOR YEAR 2024
(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

Item	Notes	Amount in current period	Amount in previous period
I. Main operating income	VI.15	203,690,416.84	114,187,231.28
Less: Main operating cost	VI.16	145,223,837.35	79,035,572.41
Taxes and additions		6,036.99	2,542.71
II. Main operating profit (losses "-")		58,460,542.50	35,149,116.16
Add：Other operating profit (losses "-")			
Less: Operating expenses			
Administrative expenses		27,621,810.99	29,083,686.84
Financial expenses	VI.17	-414,864.27	-658,815.14
III. Operating profit (losses "-")		31,253,595.78	6,724,244.46
Add：Return on investments (losses "-")			
Subsidies income			
Non-operating income		159,284.40	212,334.33
Less：Non-operating expenses		3,145.99	84,445.06
IV. Total profit (total losses "-")		31,409,734.19	6,852,133.73
Less：Income tax expenses		9,215,642.11	2,821,904.29
V、 Net profit		22,194,092.08	4,030,229.44

The accompanying notes are an integral part of these financial statements.
Legal Representative：Ma Rongrong Person in charge of accounting function：Zhang Li
Person in charge of accounting department：Zhang Li

TVS SCS LOGISTICS LTD
CASH FLOW STATEMENT
FOR YEAR 2024
(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED)

Item	Notes	Amount in current period	Amount in previous period
I.Cash flows from operating activities:			
Cash received from sale of goods and rendering of services		159,914,715.67	111,388,113.30
Tax refund			
Other cash received relating to operating activities		606,105.93	52,454.37
Sub-total of cash inflows		160,520,821.60	111,440,567.67
Cash paid for goods and services		130,238,218.28	80,594,602.98
Cash paid to and on behalf of employees		18,327,798.78	19,681,345.91
Payments of taxes and levies		3,835,534.47	3,481,104.47
Cash paid relating to other operating activities		9,228,302.70	10,180,770.85
Sub-total of cash outflows		161,629,854.23	113,937,824.21
Net cash flows from operating activities		-1,109,032.63	-2,497,256.54
II.Cash flows from investing activities:			
Cash received from disposal of investments			
Cash received from return on investments			
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets			5,104.85
Cash received from disposal of subsidiaries and other business entities			
Cash received from other investment activities			
Sub-total of cash inflows			5,104.85
Cash paid to acquire fixed assets, intangible assets, and other long-term assets		150,926.06	177,706.00
Cash paid to acquire investments			
Cash paid to acquire subsidiaries and other business entities			
Cash paid for other investment activities			
Sub-total of cash outflows		150,926.06	177,706.00
Net cash flows from investing activities		-150,926.06	-172,601.15
III.Cash flows from financing activities:			
Cash received from capital contribution			
Cash received from borrowings			
Cash received from other financing activities			
Sub-total of cash inflows			
Cash repayments of borrowings			
Cash payments for dividends, profits, or interest expenses			
Cash paid for other financing activities			
Sub-total of cash outflows			
Net cash flows from financing activities			
IV.Effect of foreign exchange rate changes on cash and cash equivalents		580,083.02	771,952.52
V.Net increase in cash and cash equivalents		-679,875.67	-1,897,905.17
Add：Beginning balance of cash and cash equivalents		3,625,765.08	5,523,670.25
VI.Ending balance of cash and cash equivalents		2,945,889.41	3,625,765.08

The accompanying notes are an integral part of these financial statements.
Legal Representative：Ma Rongrong　　Person in charge of accounting function：Zhang Li
Person in charge of accounting department：Zhang Li

TVS SCS LOGISTICS LTD
CHANGE STATEMENT OF OWNER'S EQUITY FOR YEAR 2024
(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED) Amount in current year

Item	Paid-in capital	Capital reserve	Surplus reserve	Undistributed profits	Total
Balance at end of last year	10,500,000.00	2,922.58	3,734,853.62	28,835,444.42	43,073,220.62
Add: Changes in accounting policies					
Corrections of prior period errors					
Other changes					
Beginning balance of current period	10,500,000.00	2,922.58	3,734,853.62	28,835,444.42	43,073,220.62
Net profit				22,194,092.08	22,194,092.08
Capital contributions or decreases by owners					
- Owner invested capital					
Profit appropriation			1,515,146.38	-1,515,146.38	
- Appropriation to surplus reserve			1,515,146.38	-1,515,146.38	
Incl: Statutory surplus reserve					
Discretionary surplus reserve					
Reserve fund			1,515,146.38	-1,515,146.38	
Enterprise expansion fund					
Profit capitalized on return of investment					
- Distribution to owners					
Transfer between equity components					
- Capital reserve transfer to paid-in capital					
- Surplus reserve transfer to paid-in capital					
- Accumulated loss offset by surplus reserve					
-Other					
Ending balance of current period	10,500,000.00	2,922.58	5,250,000.00	49,514,390.12	65,267,312.70

The accompanying notes are an integral part of these financial statements.
Legal Representative：Ma Rongrong Person in charge of accounting function：Zhang Li Person in charge of accounting department：Zhang Li

TVS SCS LOGISTICS LTD
CHANGE STATEMENT OF OWNER'S EQUITY (CONTINUE) FOR YEAR 2024
(ALL AMOUNTS IN RMB YUAN UNLESS OTHERWISE STATED) Amount in previous year

Item	Paid-in capital	Capital reserve	Surplus reserve	Undistributed profits	Total
Balance at end of last year	10,500,000.00	2,922.58	2,824,871.92	25,715,196.68	39,042,991.18
Add: Changes in accounting policies					
Corrections of prior period errors					
Other changes					
Beginning balance of current period	10,500,000.00	2,922.58	2,824,871.92	25,715,196.68	39,042,991.18
Net profit				4,030,229.44	4,030,229.44
Capital contributions or decreases by owners					
- Owner invested capital					
Profit appropriation			909,981.70	-909,981.70	
- Appropriation to surplus reserve			909,981.70	-909,981.70	
Incl: Statutory surplus reserve					
Discretionary surplus reserve					
Reserve fund			909,981.70	-909,981.70	
Enterprise expansion fund					
Profit capitalized on return of investment					
- Distribution to owners					
Transfer between equity components					
- Capital reserve transfer to paid-in capital					
- Surplus reserve transfer to paid-in capital					
- Accumulated loss offset by surplus reserve					
-Other					
Ending balance of current period	10,500,000.00	2,922.58	3,734,853.62	28,835,444.42	43,073,220.62

The accompanying notes are an integral part of these financial statements.
Legal Representative：Ma Rongrong Person in charge of accounting function：Zhang Li Person in charge of accounting department：Zhang Li

I. GENERAL INFORMATION OF THE COMPANY

TVS SCS Logistics Ltd ("the Company", changed its name from Pan Asia Logistics Ltd to TVS SCS Logistics Ltd on 1 Febuary 2021) is a limited liability company (wholly-owned foreign corporation) invested by TVS SCS SINGAPORE PTE. LTD. (changed its name from PAN ASIA LOGISTICS SINGAPORE PTE LTD. to TVS SCS SINGAPORE PTE. LTD. on 14 June 2022). Registered at Shanghai Market Supervision Administration, the Company was established on 5 April 2007 and obtained the business license with Uniform Social Credit Code No. 91310000798973855L. Residential address of the Company is Room 208 No.68 Changping Road, Jingan District, Shanghai and the registered capital is RMB 10.5 million.The Company has an approved operating period of 20 years.
The approved business scope is: General item: Supply chain management services,International Freight Forwarder, NVOCC business. (Activities that are subject to approval shall be operated with permission from relevant authorities)

II. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises and “Accounting System for Business enterprises” as promulgated by the State of the People’s Republic of China.

III. COMPLIANCE STATEMENT

The financial statements have been prepared in accordance with “Accounting System for Business Enterprises”, and present fairly, in all material respects, the financial position, financial performance, cash flows and the related financial information.

IV. PRINCIPAL ACCOUNTING POLICIES

1. Accounting period

The Company's accounting year starts on 1 January and ends on 31 December.

2. Recording currency

The recording currency of the Company is the Renminbi (RMB).

3. Basis of accounting and measurement bases

The Company follows the accrual basis of accounting. Assets are initially recorded at actual costs on acquisition and subsequently adjusted for impairment, if any.

4. Foreign currency translation

Except for the accounting treatment of paid-in capital, foreign currency transactions are translated into RMB at the exchange rates stipulated by the People’s Bank of China (“the

stipulated exchange rates") on the first day of the month in which the transactions took place. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into RMB at the stipulated exchange rates at the balance sheet date. Exchange differences arising from these translations are expensed, except for those attributable to foreign currency borrowings that have been made specifically for the construction of fixed assets, which are capitalized as part of the fixed asset costs and those arising in the pre-operating period, which are recorded as long-term deferred expenses.
Contributions to paid-in capital made in foreign currencies are translated into the RMB denominated paid-in capital account at the stipulated exchange rates at the contribution dates. Exchange differences arising from foreign currency capital contribution should be recognized as capital surplus.

5. Cash and cash equivalents

For the purposes of the cash flow statement, cash refers to all cash in hand and all deposits. Cash equivalents refer to short-term and highly-liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

6. Receivables and provision for bad debts

Receivables comprise accounts receivable and other receivables. The provision method is used to account for potential bad debts identified by management. Receivables are presented at actual amounts net of provision for bad debts.
Accounts receivable
Accounts receivable comprises related party receivables and receivables from non-related parties.
The Company makes specific bad debts provision on an individual basis for accounts receivable that are distinctively different from any other receivable in recoverability. If there are indications that the balances cannot be recovered, the specific provision will be adjusted accordingly. General provision for bad debts is adopted to the other accounts receivable using ageing analysis:

Other receivables
Specific provisions are made for other receivables on an individual basis.
Recognition criteria of bad debts loss
Where evidence exists that balances cannot be recovered due to the debtor's de-registration, bankruptcy, insolvent and death, etc., bad debts are recognized and corresponding provision for bad debts is written off after the approval of the Company's general manager or the board pursuant to the authorization policies established in the Company.

7. Fixed assets and depreciation

Fixed assets are tangible assets that are used in production, including sales of goods, rendering of services and leases, or held for management purposes, which have useful lives of more than one year and have relatively high unit price.
Fixed assets purchased or constructed by the Company are recorded at cost.
Fixed assets are depreciated using the straight-line method to allocate the cost of the assets to their estimated residual values over their estimated useful lives. For the fixed assets being provided for impairment loss, the related depreciation charge is prospectively determined based upon the adjusted carrying amounts over their remaining useful lives.

The estimated useful lives, estimated residual values expressed as a percentage of cost and annual depreciation rates are as follows:

Category of assets	Estimated useful life	Estimated net residual value rate	Annual depreciation rate
Vehicles	4	10%	22.50%
Office and electronic equipment	3-5	10%	18%-30%

When fixed assets are sold, transferred, disposed of or damaged, gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the assets, adjusted by related taxes and expenses, and are included in non-operating income or expenses.
The repair and maintenance expenses of fixed assets should be expensed directly for the current period. Subsequent expenditures for major reconstruction, expansion, improvement and renovation are capitalized when it is probable that future economic benefits in excess of the original assessment of performance will flow to the Company; the other subsequent expenditures should be recognized as costs or expenses for the current period. Capitalized expenditures arising from major reconstruction, expansion and improvement are depreciated using the straight-line method over the remaining useful lives of the fixed assets. The renovation expenses are depreciated using the straight-line method over the shorter of the interval of renovation and the estimated useful lives.

8. Long-term deferred expenses

Long-term deferred expenses are expenses paid by an enterprise, for which the amortization period is more than one year (excluding one year), including land royalty and maintenance, etc. long-term deferred expenses should be amortized evenly over the respective beneficial periods and presented at an amount net of accumulated amortization.
Leasehold improvements
Leasehold improvements should be amortized evenly over the shorter of the lease term and the useful lives / respective beneficial periods of the leased asset, and presented at an amount net of accumulated amortization.

9. Revenue recognition

Revenue from the rendering of services shall be recognized at the time of service provided and consideration received or receivable.
Interest income should be measured based on the period between the acquisition date and the maturity date and the applicable interest rate.
Subsidy income shall be recognized at the time of receipt.

10. Employee benefits payable

The full-time employees of the Company are entitled to staff welfare benefits under existing PRC legislation, including pension benefits, medical care, unemployment insurance, housing fund and other benefits.
The Company is required to accrue for these benefits based on certain percentages of the employees' salaries, subject to certain ceilings, in accordance with the relevant PRC regulations, these benefits are levied by the human resource and social security bodies. The

contributions are expensed as incurred.

11. Accounting for income taxes

The Company accounts for enterprise income taxes using the tax payable method. Under the tax payable method, tax expense is recognized based on current period taxable income and tax rates.

V. TAXATION

Major applicable taxes and tax rate for the Company:

Taxes	Tax rate(%)	Tax base
General VAT taxpayer	6、0	Taxable sales
Enterprise income taxes	25	Taxable income
City maintenance tax	7	Payable turnover tax
Education surtax	3	Payable turnover tax
Local education surtax	2	Payable turnover tax

VI. NOTES TO THE MAIN ITEMS OF THE FINANCIAL STATEMENTS

(All amounts in RMB Yuan unless otherwise stated)

1. Cash and cash equivalents

Item	Ending balance	Beginning balance
Cash in bank	2,945,889.41	3,625,765.08
Total	2,945,889.41	3,625,765.08

2. Accounts receivable

Item	Ending balance	Beginning balance
Accounts receivable	99,737,903.95	55,927,728.38
Bad debt allowance for accounts receivable		
Accounts receivable-net	99,737,903.95	55,927,728.38

Aging analysis are as follows:

Aging	Ending balance		Beginning balance	
	Amount	Bad debt allowance	Amount	Bad debt allowance
within 1 year	82,787,584.20		50,408,320.19	
1-2 years	16,950,319.75		5,519,408.19	
Total	99,737,903.95		55,927,728.38	

Debtors with large amounts

Name of debtors	Book value	% of total accounts receivable
TVS SCS SINGAPORE PTE. LTD.	42,196,761.92	42.31
TVS SUPPLY CHAIN SOLUTIONS PTE LTD	18,453,670.66	18.50
TVS SCS DEUTSCHLAND GMBH	12,163,856.24	12.20
TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	5,901,083.12	5.92
TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	4,142,690.16	4.15
Total	82,858,062.10	83.08

3. Other receivables

Item	Ending balance	Beginning balance
Other receivables	2,226,712.35	2,421,760.09
Bad debt allowance for other receivables		
Net book value of other receivables	2,226,712.35	2,421,760.09

Aging analysis are as follows:

Aging	Ending balance		Beginning balance	
	Book value	Bad debt allowance	Book value	Bad debt allowance
within 1 year	166,800.03		992,965.92	
1-2 years	805,925.57		853,000.00	
2-3 years	852,000.00		150,000.00	
over 3 years	401,986.75		425,794.17	
Total	2,226,712.35		2,421,760.09	

Debtors with large amounts

Name of debtors	Ending balance
SHANGHAI LONGYI INVESTMENT MANAGEMENT CO., LTD.	674,509.05
SHANGHAI EASTERN SUPPLY CHAIN MANAGEMENT CO., LTD.	400,000.00
HUAN MING (SHANGHAI) INTERNATIONAL SHIPPING AGENCY CO., LTD.	300,000.00
COSCO SHIPPING LOGISTICS SHANGHAI CO., LTD.	150,000.00
KUKA ROBOTICS GUANGDONG CO LTD	100,000.00
Total	1,624,509.05

4. Other current assets

Item	Ending balance	Beginning balance
Input VAT	54,445.07	68,890.24
Total	54,445.07	68,890.24

5. Fixed assets

Item	Beginning balance	Increase	Decrease	Ending balance
(1). Total original cost	1,111,652.28	117,128.06		1,228,780.34
Office and electronic equipment	876,640.08	117,128.06		993,768.14
Vehicles	235,012.20			235,012.20
(2). Total accumulated depreciation	768,196.92	139,490.18		907,687.10
Office and electronic equipment	556,685.94	139,490.18		696,176.12
Vehicles	211,510.98			211,510.98
(3). Total book value	343,455.36			321,093.24
Office and electronic equipment	319,954.14			297,592.02
Vehicles	23,501.22			23,501.22

6. Long-term deferred expenses

Item	Beginning balance	Increase	Amortization	Other decrease	Ending balance
NEW OFFICE'S DECORATION	54,351.87	33,798.00	49,818.31		38,331.56

Item	Beginning balance	Increase	Amortization	Other decrease	Ending balance
Total	54,351.87	33,798.00	49,818.31		38,331.56

7. Accounts payable

Item	Ending balance	Beginning balance
Accounts payable	29,070,347.29	14,084,728.22

Significant accounts payable：

Name of creditors	Ending balance
TVS SUPPLY CHAIN SOLUTIONS PTE LTD	6,311,731.38
TVS SCS DEUTSCHLAND GMBH	4,057,099.08
Pan-Asia International Freight Co., Ltd.	2,630,108.18
MULTIPLYING INTERNATIONAL LOGISTICS CO LTD	1,874,222.65
ORIENT INTERNATIONAL TRANSPORT CO LTD	1,118,117.88
Total	15,991,279.17

8. Taxes payable

Item	Ending balance	Beginning balance
Value added tax	503.29	6,372.71
Corporate income tax	8,217,999.01	2,807,736.71
City maintenance tax	35.23	441.24
Individual income tax	99,738.42	75,685.94
Education surtax	25.17	315.17
Withholding taxes	412,891.95	
Total	8,731,193.07	2,890,551.77

9. Other payables

(1) List other payables by nature of amounts

Item	Ending balance	Beginning balance
Other payables	1,028,193.50	777,661.34
Total	1,028,193.50	777,661.34

10. Accrued expenses

Item	Ending balance	Beginning balance
Sales commission	111,700.00	30,100.00
Audit expense	165,522.31	237,522.31
Office restoration fee	302,000.00	247,500.00
Staff welfare	322,685.56	311,846.67
Other	463,778.20	
Total	1,365,686.07	826,968.98

11. Paid-in capital

Name of investors	Beginning balance		Increase	Decrease	Ending balance	
	Amount	% of shares			Amount	% of shares
TVS SCS SINGAPORE PTE. LTD.	10,500,000.00	100.00			10,500,000.00	100.00
Total	10,500,000.00	100.00			10,500,000.00	100.00

The 6 million yuan paid-in capital has been verified by Yong Fan CPA Co., Ltd with the Capital Verification Report No.(2012) 0254 on 22 November 2012. According to the resolution of the shareholders' meeting on June 14, 2022, the capital of the Company was increased by RMB 4.5 million from undistributed profits.

12. Capital reserve

Item	Beginning balance	Increase	Decrease	Ending balance
Exchange difference related to foreign currency capital contribution	2,922.58			2,922.58
Total	2,922.58			2,922.58

13. Surplus reserve

Item	Beginning balance	Increase	Decrease	Ending balance
Reserve fund	3,734,853.62	1,515,146.38		5,250,000.00
Total	3,734,853.62	1,515,146.38		5,250,000.00

14. Undistributed profits

Item	Amount in current period	Amount in previous period
Ending balance of last year	28,835,444.42	25,715,196.68
Beginning balance of this year	28,835,444.42	25,715,196.68
Increase in current period	22,194,092.08	4,030,229.44
Including: Current period net profit attributable to owners	22,194,092.08	4,030,229.44
Decrease	1,515,146.38	909,981.70
Including:Statutory surplus reserve	1,515,146.38	909,981.70
Ending balance	49,514,390.12	28,835,444.42

15. Main operating income

Item	Amount in current period	Amount in previous period
Revenue from freight forwarding services	203,690,416.84	114,187,231.28
Total	203,690,416.84	114,187,231.28

16. Main operating cost

Item	Amount in current period	Amount in previous period
Cost for freight forwarding services	145,223,837.35	79,035,572.41
Total	145,223,837.35	79,035,572.41

17. Financial expenses

Item	Amount in current period	Amount in previous period
Interest expenses		
Less: Interest income	6,582.07	10,168.35
Bank charges	171,800.82	123,305.73
Exchange gains or losses	-580,083.02	-771,952.52
Total	-414,864.27	-658,815.14

18. Adjust net profit to operating cash flow

Item	Amount in current period	Amount in previous period
Net profit	22,194,092.08	4,030,229.44

Item	Amount in current period	Amount in previous period
Depreciation of fixed assets, depreciation of oil and gas assets, depreciation of capitalized biological assets	139,490.18	157,620.54
Amortization of long-term deferred expenses	49,818.31	18,528.87
Losses on scrap of fixed assets (gains "-")		84,445.06
Financial expenses (incomes "-")	-580,083.02	-771,952.52
Decrease in operational receivables (increase "-")	-43,552,804.17	-3,887,322.00
Increase in operational payables (decrease "-")	20,640,453.99	-2,128,805.93
Net cash flow from operating activities	-1,109,032.63	-2,497,256.54
Ending balance of cash	2,945,889.41	3,625,765.08
Beginning balance of cash and cash equivalents	3,625,765.08	5,523,670.25
Net increase in cash and cash equivalents	-679,875.67	-1,897,905.17

VII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Related parties

Name of related party	Relationship with the Company
TVS SCS SINGAPORE PTE. LTD.	Investor
TVS SUPPLY CHAIN SOLUTIONS PTE LTD	Under the same group
TVS SCS DEUTSCHLAND GMBH	Under the same group
TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	Under the same group
TVS SCS (AUST) PTY. LTD.	Under the same group
TVS SCS HONG KONG LIMITED	Under the same group
PT. TVS SCS INDONESIA	Under the same group
TVS SCS MALAYSIA SDN BHD	Under the same group
TVS SCS NEW ZEALAND LIMITED	Under the same group
TVS SCS (KOREA) LTD.	Under the same group
TVS SCS PHILIPPINES CORPORATION	Under the same group
TVS SCS LOGISTICS (THAILAND) LIMITED	Under the same group

Name of related party	Relationship with the Company
TVS SCS VIETNAM COMPANY LIMITED	Under the same group
TVS SCS TAIWAN LIMITED	Under the same group
HANOI BRANCH OF TVS SCS VIETNAM COMPANY LIMITED	Under the same group
TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	Controlled by the same party
TVS SCS RICO ITALIA SRL	Controlled by the same party
TVS SUPPLY CHAIN LOS ANGELES BRANCH	Controlled by the same party
TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA INC	Controlled by the same party
TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA, INC.(GFS US)	Controlled by the same party
TVS SUPPLY CHAIN SOLUTIONS NA, INC. NEW YORK	Controlled by the same party
TVS LOGISTIC IBERIA SLU	Controlled by the same party

2. Related transactions

(1) Purchase goods / accepting services table

Name of related party	Transaction description	Amount in current period
TVS SCS DEUTSCHLAND GMBH	Receiving of services	6,886,012.59
TVS SCS SINGAPORE PTE. LTD.	Receiving of services	2,450,137.22
TVS SCS (AUST) PTY. LTD.	Receiving of services	1,497,420.51
TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	Receiving of services	724,420.30
TVS SCS HONG KONG LIMITED	Receiving of services	482,915.45
TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA, INC. (GFS US)	Receiving of services	221,052.60
TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	Receiving of services	200,563.79
TVS SCS (KOREA) LTD.	Receiving of services	153,704.23
TVS SCS RICO ITALIA SRL	Receiving of services	66,562.35
TVS SCS PHILIPPINES CORPORATION	Receiving of services	37,349.62
TVS SCS TAIWAN LIMITED	Receiving of services	35,656.91
TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA INC	Receiving of services	17,428.09
TVS SCS LOGISTICS (THAILAND) LIMITED	Receiving of services	16,974.69
TVS SCS VIETNAM COMPANY LIMITED	Receiving of services	11,915.09
PT. TVS SCS INDONESIA	Receiving of services	8,870.27

Name of related party	Transaction description	Amount in current period
TVS SCS NEW ZEALAND LIMITED	Receiving of services	2,064.74
TVS SCS MALAYSIA SDN BHD	Receiving of services	1,815.80

(2) Sell goods /provide services table

Name of related party	Transaction description	Amount in current period
TVS SUPPLY CHAIN SOLUTIONS PTE LTD	Rendering of Services	31,294,942.74
TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	Rendering of Services	23,228,563.86
TVS SCS DEUTSCHLAND GMBH	Rendering of Services	21,157,425.40
TVS SCS SINGAPORE PTE. LTD.	Rendering of Services	10,906,723.24
TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	Rendering of Services	9,872,287.10
TVS SCS (AUST) PTY. LTD.	Rendering of Services	9,435,124.97
PT. TVS SCS INDONESIA	Rendering of Services	2,568,617.91
TVS SCS RICO ITALIA SRL	Rendering of Services	1,249,353.14
TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA INC	Rendering of Services	1,018,046.69
TVS SUPPLY CHAIN LOS ANGELES BRANCH	Rendering of Services	661,341.08
TVS SCS MALAYSIA SDN BHD	Rendering of Services	278,933.30
TVS SCS HONG KONG LIMITED	Rendering of Services	270,253.68
TVS SUPPLY CHAIN SOLUTIONS NA, INC. NEW YORK	Rendering of Services	168,955.29
TVS SCS NEW ZEALAND LIMITED	Rendering of Services	155,426.19
TVS SCS TAIWAN LIMITED	Rendering of Services	123,518.65
TVS SCS LOGISTICS (THAILAND) LIMITED	Rendering of Services	101,348.00
TVS SCS VIETNAM COMPANY LIMITED	Rendering of Services	43,177.65
TVS LOGISTIC IBERIA SLU	Rendering of Services	30,765.93
TVS SCS PHILIPPINES CORPORATION	Rendering of Services	30,735.12
TVS SCS (KOREA) LTD.	Rendering of Services	13,653.91
HANOI BRANCH OF TVS SCS VIETNAM COMPANY LIMITED	Rendering of Services	765.00

3. Accounts receivable and payable of related parties

Name of related party	Item	Ending balance
TVS SCS SINGAPORE PTE. LTD.	Accounts receivable	42,196,761.92
TVS SUPPLY CHAIN SOLUTIONS PTE LTD	Accounts receivable	18,453,670.66

Name of related party	Item	Ending balance
TVS SCS DEUTSCHLAND GMBH	Accounts receivable	12,163,856.24
TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	Accounts receivable	5,901,083.12
TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	Accounts receivable	4,142,690.16
TVS SCS (AUST) PTY. LTD.	Accounts receivable	2,827,543.29
TVS SUPPLY CHAIN LOS ANGELES BRANCH	Accounts receivable	666,040.41
TVS SCS RICO ITALIA SRL	Accounts receivable	462,100.69
PT. TVS SCS INDONESIA	Accounts receivable	199,246.38
TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA INC	Accounts receivable	192,888.06
TVS SUPPLY CHAIN SOLUTIONS NA, INC. NEW YORK	Accounts receivable	169,078.36
TVS SCS NEW ZEALAND LIMITED	Accounts receivable	58,949.47
TVS SCS (KOREA) LTD.	Accounts receivable	33,935.61
TVS SCS PHILIPPINES CORPORATION	Accounts receivable	30,814.60
TVS SCS MALAYSIA SDN BHD	Accounts receivable	11,637.50
TVS SCS HONG KONG LIMITED	Accounts receivable	9,421.39
TVS SCS LOGISTICS (THAILAND) LIMITED	Accounts receivable	5,963.14
TVS LOGISTIC IBERIA SLU	Accounts receivable	331.13
TVS SUPPLY CHAIN SOLUTIONS PTE LTD	Accounts payable	6,311,731.38
TVS SCS DEUTSCHLAND GMBH	Accounts payable	4,057,099.08
TVS SCS (AUST) PTY. LTD.	Accounts payable	539,687.44
TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	Accounts payable	344,053.50
TVS SCS (KOREA) LTD.	Accounts payable	274,525.00
TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA, INC. (GFS US)	Accounts payable	229,638.54
TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	Accounts payable	69,719.90
TVS SCS RICO ITALIA SRL	Accounts payable	47,721.44
TVS SCS HONG KONG LIMITED	Accounts payable	43,686.04
TVS SCS PHILIPPINES CORPORATION	Accounts payable	18,985.14
TVS SCS NEW ZEALAND LIMITED	Accounts payable	1,976.98
TVS SCS MALAYSIA SDN BHD	Accounts payable	380.99

VIII. CONTINGENCIES

As of December 31, 2024, the Company has no contingencies to disclose.

IX. SUBSEQUENT EVENTS AFTER BALANCE SHEET DATE

As of the issuing date of the Company's financial statements, there are no significant subsequent events after balance sheet date.

TVS SCS (Korea) Ltd

FY 2024-25

Independent Auditor's Report

To the Board of Directors and Shareholders of
TVS SCS (Korea) Ltd.

Audit Opinion

We have audited the accompanying financial statements of TVS SCS(Korea) Ltd. (the "Company"), which comprise the statements of financial position as of March 31, 2025 and 2024, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including information of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with Korean International Financial Reporting Standards ("K-IFRS").

Basis for Opinion

We conducted our audits in accordance with Korean Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with K-IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether theses financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but, is not a guarantee that an audit conducted in accordance with Korean Standards on Auditing will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Korean Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the Company. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hanul LLC
Managing Partner
Sung Sub Shin

May 9, 2025

Notice to Readers

This audit report is effective as of the date of this audit report. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the audit report date to the time this audit report is read. Such events and circumstances could significantly affect the accompanying financial statements and may result in modifications to this report.

TVS SCS (Korea) Ltd.
Statements of Financial Position
As of March 31, 2025 and 2024

(in Korean won)	Note	March 31, 2025	March 31, 2024
Assets			
Current assets			
Cash and cash equivalents		₩ 140,326,867	₩ 440,053,855
Accounts receivable - trade	5,12	4,543,300,237	4,038,795,119
Accounts receivable - non trade		7,926,340	-
Short-term loans to affiliated company	5,12	1,886,559,822	1,723,656,684
Prepaid expenses		5,933,000	740,000
VAT receivable		1,063,057	3,054,752
Leasehold deposit		-	30,000,000
Current income tax assets		48,470,933	136,393,321
Total current assets		6,633,580,256	6,372,693,731
Non-current assets			
Property and equipment, net	3,4	67,236,465	10,385,204
Net defined benefit asset	5,12	39,838,787	14,097,225
Leasehold deposit-Non current		31,021,350	3,300,000
Total non-current assets		138,096,602	27,782,429
Total assets		₩ 6,771,676,858	₩ 6,400,476,160
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable - trade	5,12,15	₩ 419,040,616	₩ 710,653,594
Withholdings		3,458,630	747,850
Advance receipts		10,493,418	10,325,028
Income taxes payable	10	-	55,093,396
Accrued expenses	15	70,073,757	73,058,644
Lease liabilities	3,15	35,034,789	-
Total current liabilities		538,101,210	849,878,512
Non-current liabilities			
Net defined benefit liabilities	3,6		
Lease liabilities	3,15	2,999,587	-
Deferred income tax liabilities	10	236,535,207	131,268,499
Total non-current liabilities		239,534,794	131,268,499
Total liabilities		777,636,004	981,147,011
Shareholders' equity			
Capital stock			
Common stock	7	300,010,000	300,010,000
Capital surplus			
Additional paid in capital	7	799,856,295	749,856,295
Retained earnings	8		
Legal reserves		150,005,000	150,005,000
Retained earnings before appropriation		4,744,169,559	4,219,457,854
Total shareholders' equity		5,994,040,854	5,419,329,149
Total liabilities and shareholders' equity		₩ 6,771,676,858	₩ 6,400,476,160

The accompanying notes are an integral part of these financial statements.

TVS SCS (Korea) Ltd.
Statements of Comprehensive Income
For the reporting periods ended March 31, 2025 and 2024

(in Korean won)	Note	12 months ended March 31, 2025	12 months ended March 31, 2024
Sales	12	₩ 2,698,096,513	₩ 1,812,419,388
Cost of sales	12	1,940,979,480	1,237,107,257
Gross profit		757,117,033	575,312,131
Selling and administrative expenses	9	673,863,102	648,528,926
Operating income(loss)		83,253,931	(73,216,795)
Non-operating income and expenses			
Interest income		103,870,043	180,661,198
Interest expense		(2,391,858)	-
Gain(Loss) on foreign exchange transaction, net		24,615,165	773,474,324
Gain(Loss) on foreign exchange translation, net		498,106,693	(445,409,586)
Gain(Loss) on disposition of property and equipment		-	-
Gain(Loss) on disposition of right of use		-	-
Others, net		1,314,699	707,816
Total non-operating income and expenses		625,514,742	509,433,752
Income before income taxes		708,768,673	436,216,957
Income tax expense	10	127,921,808	11,068,705
Net income		580,846,865	425,148,252
Other comprehensive income(loss)	6,10	(6,135,160)	233,798
Total comprehensive income		₩ 574,711,705	₩ 425,382,050
Basic earning per share		₩ 19,157	₩ 14,179
Diluted earning per share		₩ 19,157	₩ 14,179

The accompanying notes are an integral part of these financial statements.

TVS SCS (Korea) Ltd.
Statement of Changes in Shareholder's Equity
For the reporting periods ended March 31, 2025 and 2024

(in Korean won)	Capital stock	Capital surplus	Retained earnings	Total
Balances as of March 31, 2023	₩ 300,010,000	₩ 749,856,295	₩ 9,308,545,834	₩ 10,358,412,129
Net income	-	-	425,148,252	425,148,252
Actuarial gains, net of tax	-	-	233,798	233,798
Dividend	-	-	(5,364,465,030)	(5,364,465,030)
Balances as of March 31, 2024	₩ 300,010,000	₩ 749,856,295	₩ 4,369,462,854	₩ 5,419,329,149
Balances as of March 31, 2024	₩ 300,010,000	₩ 749,856,295	₩ 4,369,462,854	₩ 5,419,329,149
Net income	-	-	580,846,865	580,846,865
Actuarial gains, net of tax	-	-	(6,135,160)	(6,135,160)
Other	-	50,000,000	(50,000,000)	-
Balances as of March 31, 2025	₩ 300,010,000	₩ 799,856,295	₩ 4,894,174,559	₩ 5,994,040,854

The accompanying notes are an integral part of these financial statements.

TVS SCS (Korea) Ltd.
Statements of Cash Flows
For the reporting periods ended March 31, 2025 and 2024

(in Korean won)	12 months ended March 31, 2025	12 months ended March 31, 2024
Cash flows from operating activities :		
Net Income	₩ 580,846,865	₩ 425,148,252
Addition of expenses not involving cash outflows:		
Depreciation	45,913,994	3,633,207
Bad debt expense	-	-
Severance and retirement benefits	27,449,160	26,376,996
Interest expense from finance lease	2,391,858	-
Income tax expense	127,921,808	11,068,705
	203,676,820	41,078,908
Deduction of income not involving cash inflows:		
Gain on foreign exchange transaction, net	(498,106,693)	(213,964,105)
Interest income	(103,870,043)	(180,661,198)
Gain on disposal of property and equipment	(49,331,656)	-
Reversal of bad debt expense	(651,308,392)	(394,625,303)
Changes in operating assets and liabilities :		
Decrease(Increase) in accounts receivable	(76,218,248)	(174,583,437)
Decrease(Increase) in prepaid expenses	(5,193,000)	5,287,833
Decrease(Increase) in VAT receivable	1,991,695	(3,054,752)
Decrease(Increase) in current income tax assets	109,715,840	20,556,195
Increase(Decrease) in accounts payable	(264,371,467)	109,884,493
Increase(Decrease) in withholdings	2,710,780	(536,510,302)
Increase(Decrease) in advance from customers	168,390	(54,763)
Increase(Decrease) in income taxes payables	(98,804,830)	44,024,691
Increase(Decrease) in accrued expenses	(2,984,887)	(43,480,828)
Increase(Decrease) in deferred income tax liabilities	-	(101,392,485)
Payment of severance and retirement benefits	-	(19,836,976)
Increase(Decrease) in pension plan assets	(60,000,000)	(50,335,071)
	(392,985,727)	(749,495,402)
Cash flows from operating activities		
Interest received	7,963,045	2,501,192
Income tax paid	-	(142,356,927)
Interest paid	(2,391,858)	
Net cash flow used in operating activities	₩ 5,571,187	₩ (817,749,280)

(*Continued*)

TVS SCS (Korea) Ltd.
Statements of Cash Flows
For the reporting periods ended March 31, 2025 and 2024

(in Korean won)	12 months ended March 31, 2025	12 months ended March 31, 2024
Cash flows from investing activities :		
Cash inflows from investing activities:		
Decrease in loans to affiliated company	₩ -	₩ -
Disposal of vehicle	-	-
Decrease in leasehold deposit	2,278,650	-
	2,278,650	-
Cash outflows for investing activities:		
Increase in leasehold deposit	-	(17,200,000)
Purchase of other equipment	(34,122,737)	(6,540,380)
Net cash provided by investing activities	(34,122,737)	(23,740,380)
Cash flows from financing activities :		
Cash inflows from financing activities:	-	-
Cash outflows for financing activities:	-	-
Payments of lease liabilities	(30,608,142)	-
Net cash provided by(used in) financing activities	(30,608,142)	-
Net increase(decrease) in cash and cash equivalents	(316,651,476)	(841,489,660)
Changes in cash by foreign currency translation	16,924,488	24,686,173
Cash and cash equivalents at the beginning of year	440,053,855	1,256,857,342
Cash and cash equivalents at the end of year	₩ 140,326,867	₩ 440,053,855

The accompanyung notes are an integral part of these financial statements.

1. Reporting entity

TVS SCS (Korea) Ltd (the "Company") was spun-off from Pan Asia Logistics (Korea) Ltd. and incorporated on May 1, 2016 under the Commercial Code of the Republic of Korea, is licensed to engage in domestic and international freight forwarding business and other related business in Korea.

The Company's authorized common stocks are 1,000,000 shares at par value ₩10,000 and total issued and outstanding 30,001 shares at March 31, 2025, are wholly owned by TVS SCS Singapore Pte Ltd.

2. Basis of Preparation

(1) Application of Accounting Standards

The Company maintains its accounting records in Korean won and prepares statutory financial statements in the Korean language (Hangul) in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (K-IFRS).
The financial statements of the Company have been prepared in accordance with K-IFRS. These are the standards, subsequent amendments and related interpretations issued by the International Accounting Standards Board (IASB) that have been adopted by the Republic of Korea.

(2) Measurement Basis

The Financial statements have been prepared on the basis of historical cost.

(3) Functional and Presentation Currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Korean won, which is the controlling entity's functional and presentation currency.

(4) Estimation and Judgment

The preparation of the financial statements requires the use of critical accounting estimates. Management also needs to exercise judgment in applying the Company's accounting policies. Estimates based on management's best judgment as of the end of the reporting period and actual results may differ from those of the actual environment.
Estimates and basic assumptions are constantly being reviewed and changes in accounting estimates are recognized in the period during which the estimates are changed and during the period in which they will be affected in the future.

(5) Fair Value Hierarchy

The Company analyzes financial instruments that are measured at fair value on its statements of financial position and accordingly classifies and discloses fair value of the financial instruments into the following three-level hierarchy.
- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

3. Material Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Changes in Accounting Policies

The Company applied the following amended and enacted standards for the year beginning on April 1, 2024, and there is no material effect of these standards on financial statements.

- Amendment to K-IFRS 1001 'Presentation of financial statements': Classification of liabilities as current or non-current, non-current liabilities with covenants
- Amendment to K-IFRS 1001 'Presentation of financial statements': Disclosures of crypto assets
- Amendments to K-IFRS 1007 ‘Statement of Cash Flows’ and K-IFRS 1107 ‘Financial Instruments: Disclosures’: Disclosures about supplier finance arrangements
- Amendments to K-IFRS 1116 ‘Leases’: Lease liability in a sale and leaseback

The Company has not early applied the following new or revised standards, amendments and interpretations that have been issued but are not yet effective for the year beginning on April 1, 2024.

- Amendments to K-IFRS 1021 ‘The Effects of Changes in Foreign Exchange Rates’ and K-IFRS 1101 ‘First-time Adoption of International Financial Reporting Standards’: Lack of exchangeability
- Amendments to K-IFRS 1109 ‘Financial Instruments’ and K-IFRS 1107 ‘Financial Instruments: Disclosures’: Classification and measurement of financial instruments

(2) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in banks, and financial instruments with maturity of three months or less at the times of purchase. These financial instruments are readily convertible into cash without significant transaction costs and bear low risks from changes in value due to interest rate fluctuation.

(3) Financial Instruments

Financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1) Financial assets

(a) Initial recognition and measurement
At initial recognition, the Company classifies its financial assets as financial assets measured at amortized cost, financial assets measured subsequently at fair value through other comprehensive income, and through profit or loss.

At initial recognition, the classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. At initial recognition, if a financial asset is not trading receivables that don't have a significant financing component to be measured at the transaction price, nor a designation option measured at fair value through profit or loss, the Company measures it at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Trading receivables that don't have a significant financing component to be measured at the transaction price according to K-IFRS 1115.
In order to be eligible for measurement at amortized cost or fair value through other comprehensive income, an asset's contractual cash flows must be solely payments of principal and interest (SPPI). This test is called as SPPI test, and applied on an individual asset basis.
An entity's business model refers to how an entity manages its financial assets in order to generate cash flows. The Company's business model determines if cash flows will result from collecting contractual cash flows, selling financial assets or both.
(b) Measurement subsequent to initial recognition
a) Debt instruments measured at amortized cost
Debt instruments that meet the following two conditions must be subsequently measured at amortized cost.
- the object of the Company's business model is to hold the financial asset to collect the contractual cash flows
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets measured at amortized cost are subsequently measured by the effective interest rate method, and reduced by impairment loss. Gain or loss from derecognition, change or impairment are recognized in profit or loss.
b) Debt instruments measured at fair value through other comprehensive income (FVOCI)
Debt instruments that meet the following two conditions must be subsequently measured at fair value through other comprehensive income.
- the object of the Company's business model is to hold the financial asset to collect the contractual cash flows, to sell financial assets or both
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

In debt instruments measured at fair value through other comprehensive income, interest income, gain or loss from foreign currency translation and impairment loss or reversal of impairment loss are measured as same way with debt instruments measured at amortized cost, and recognized in

profit or loss. Other changes of fair value are recognized in other comprehensive income, and the accumulated gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss at derecognition.

c) Equity instruments measured at fair value through other comprehensive income (FVOCI)
At initial recognition, the Company can make an irrevocable election to designate investment on equity instruments as financial assets measured at fair value through other comprehensive income. If equity instruments are held for trading, or a conditional payment recognized by an acquirer in a business combination, it is not allowed to designate as financial assets measured at fair value through other comprehensive income. This choice is made by each financial instrument.
Gain or loss from equity instruments measured at fair value through other comprehensive income can't be reclassified from equity to profit or loss at derecognition. Dividend income from such equity instruments continue to be recognized in profit or loss as 'Other non-operating income' when the right to receive payments is established, except for gain from refund of a part of the investment cost. Equity instruments measured at fair value through other comprehensive income do not recognize impairment loss.
d) Financial instruments measured at fair value through profit or loss(FVTPL)
Assets that do not meet the criteria for amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss. Financial instruments measured at fair value through profit or loss are measured at fair value at the end of every reporting period. A gain or loss is not part of a hedging relationship is recognized in profit or loss.
If an item is designated as financial instruments measured at fair value through profit or loss, accounting inconsistency is removed or significantly decreased, debt instrument that meets the requirements of an amortized cost measurement or FVOCI may be designated as FVTPL. But, this designation is irrevocable.
(c) Derecognition
Regular way purchases and sales of financial assets are recognized or derecognized on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. If a transfer does not result in derecognition because the Company has retained substantially all the risks and rewards of ownership of the transferred asset, the Company continues to recognize the transferred asset in its entirety and recognizes a financial liability for the consideration received. The Company classified the financial liability as "borrowings" in the statement of financial position.

In derecognition of financial instruments measured at amortized cost, the net amount of its carrying book amount and payments received or to be received, is recognized in profit or loss. In derecognition of debt instruments measured at fair value through other comprehensive income, the accumulated equity recognized previously is reclassified in profit or loss. But, in derecognition of equity instrument designated a measurement at fair value through other comprehensive income, the accumulated equity recognized previously is not reclassified in profit or loss, but in retained earnings.
(d) Impairment

The Company subsequently recognizes as loss allowance the expected credit losses on debt instruments measured at amortized cost or fair value through other comprehensive income, lease receivables, trade receivables and contract assets, and financial guarantee contracts subject to the impairment requirements of K-IFRS 1109. The expected credit loss is estimated the difference between a contractual cash flow and the Company's all expected cash flows to receive that is discounted by using the effective interest rate. The expected cash flows include cash flow resulted from selling pledged assets or other credit reinforcements required as mandatory condition in contract.

In accordance with the expected credit loss model, K-IFRS 1109 accounts for expected credit losses and their changes at the end of each reporting period to reflect changes in credit risk since the financial asset's initial recognition. In particular, the loss allowance shall be measured at an amount equal to lifetime expected credit losses if the credit risk of the financial instrument has increased significantly since initial recognition or if the credit risk of the financial asset has been impaired upon acquisition. On the other hand, if the credit risk of the financial instrument has not increased significantly since initial recognition (except for credit-impaired financial assets at acquisition), the Company shall measure the loss allowance on the financial instrument at an amount equal to 12-month expected credit losses.

In impairment of debt instrument measured at fair value through other comprehensive income, the Company may apply the simplified approach for low credit risk. At every financial closing date, the Company assesses whether debt instrument has low credit risk by all reasonable and supportable information that can be used without high cost or efforts. To such assessment, the Company must reevaluate internal credit rating of the debt instrument.

If the Company's debt instruments measured at fair value through other comprehensive income consist of all listed bonds with the highest credit rating, they are determined as low credit risk investment. The Company has the policy to measure 12-month expected credit losses on these investments. But, the loss allowance shall be measured at an amount equal to lifetime expected credit losses if the credit risk of the financial instrument has increased significantly since initial recognition. The Company should determine if the credit risk of debt instrument significantly increases and, use credit rating institution's rating to measure the expected credit loss.

Regardless of the results of this evaluation, when the contractual payment is passed due over 30 days, it is considered that credit risk of financial instruments significantly increases if there is no reasonable and supportable evidence to disprove.

When the contractual payment is passed due over 90 days, the Company determines it is in default. But, in specific situation, if the Company can't collect entire contractual principal of investment without all credit reinforcement, it is considered as default. If there is no reasonable expectation to collect contractual cash flow, the financial instruments shall be derecognized.

2) Financial liabilities

At initial recognition, financial liabilities are classified as financial liabilities measured at fair value through profit or loss, loans and borrowings, trade payables or derivatives designated as hedge. All financial liabilities are measured at fair value, and the direct transaction cost are deducted from loans, borrowing and trade payables. All financial liabilities are subsequently measured at amortized cost using the effective interest rate method, or at fair value through profit or loss. But, financial guarantee contracts and financial liabilities that arise when a transfer of financial assets does not qualify for derecognition or continuing involvement approach is applied, are measured as specific accounting policies as follow.

(a) Financial liabilities measured at fair value through profit or loss

If financial liabilities are held for trading, contingent consideration recognized by an acquirer in a business combination, or designated as item measured at fair value through profit or loss at initial recognition, it is classified as financial liabilities measured at fair value through profit or loss. When financial liabilities are repurchased in the near term, it is classified as held-for-trading. Also, in this category, derivatives that are not designated as hedges or bifurcated from financial instruments containing embedded derivatives are also categorized as held-for-trading.

(b) Financial liabilities measured at amortized cost

If financial liabilities are not held for trading, contingent consideration recognized by an acquirer in a business combination or, designated as item measured at fair value through profit or loss at initial recognition, it is classified as financial liabilities measured at amortized cost.

The effective interest rate method is to measure the amortized cost of financial liabilities and to allocate interest expense during relevant period. An effective interest rate is an interest rate to match the amortized cost of financial liabilities up with the present value of expected future cash flow that includes fees, point(main component of effective interest rate), transaction cost, and other premium or discount to pay or receive in the expected lifetime or shorter period(if necessary) of financial liabilities.

(c) Financial guarantee liabilities

Financial guarantee contracts requires the issuer of the contract to make specific payments to the contract holder for a loss incurred by the holder if a debtor fails to pay under the terms of a debt instrument.

At initial recognition, it is measured at fair value. After initial recognition, if it not designated as item measured at fair value through profit or loss, nor occurred from a transfer of financial assets, an issuer of such a contract shall subsequently measure it at the higher of:

- The amount of the loss allowance determined on lifetime expected credit losses in accordance with the principles of K-IFRS 1115.
- The amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of K-IFRS 1115.

(d) Derecognition of financial liabilities

Financial liabilities are removed from the statement of financial position when it is extinguished; for example, when the obligation specified in the contract is discharged or cancelled or expired or when the terms of an existing financial liability are substantially modified. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

3) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liability simultaneously.

(4) Provisions

Provisions are measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period, and the increase in the provision due to the passage of time is recognized as interest expense.

(5) Current and Deferred Tax

The tax expense for the period consists of current and deferred tax. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.
The tax expense is measured at the amount expected to be paid to the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The Company recognizes current income tax on the basis of amounts expected to be paid to the tax authorities.
Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.
Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis.

(6) Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

(7) Interest income and expense

Interest income and expense are recognized in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter year) to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.
The calculation of the effective interest rate includes all fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

(8) Fees and commissions

Fees and commission income are recognized as the related services are performed. Fees and commission expense relate mainly to transaction and service fees, which are expensed as the services are received.

(9) Paid-in capital

Common stock is classified as equity. Incremental costs directly attributable to equity transactions are deducted from equity as a net amount reflecting tax effects. When the Company repurchases its own equity instruments, these equity instruments are deducted directly from equity as a subject of treasury stock. Any gain or loss on the purchase or sale of, or the issue or cancellation of, an equity instrument is not recognized in profit or loss. When the Company acquires and holds treasury stock, the consideration paid or received is recognized directly in equity.

(10) Property and Equipment

Property and equipment are stated at cost (acquisition cost or manufacturing cost, plus expenditures directly related to preparing the asset ready for use in time for a place, net of sales discount given), and assets acquired from investment in kind, by donation or free of charge are stated at fair value. When an asset is exchanged for a similar kind of asset, the asset received is stated at the carrying value of the asset given. When an asset is exchange for a different kind of asset, the asset received is stated at the fair value of the asset given. When there is uncertainty as to the fair value of the asset given, the asset received is recorded at its fair value.
If the costs incurred after acquisition or completion increases the future economic benefit of an asset, such costs are capitalized. If the costs can be objectively measured and incurred to replace an existing asset, the exiting asset is removed from the financial statements. Costs incurred to repair and to maintain assets are expensed as incurred.

Property and equipment are depreciated using a straight-line method over their economic useful lives, which are determined from the time when the assets are ready for use (ready for their intended use by the management in time and for a place). Depreciation expense is recognized as manufacturing cost if it relates to manufactured goods, or as selling, general and administrative expense for all other cases as incurred.

Description	Useful life (years)
Equipment	5
Vehicles	5

An asset whose use is discontinued and held for a sale or a disposal is no longer depreciated and reclassified to investment assets at its carrying value. Reclassified investment assets are tested for impairment at the end of the reporting period.

(11) Defined Benefit Liabilities

The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current

and prior periods. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognized in the statement of financial position in respect to defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses resulting from the changes in actuarial assumptions, and the differences between the previous actuarial assumptions and what has actually occurred, are recognized in other comprehensive income in the period in which they were incurred. Past service costs are immediately recognized in profit or loss.

4. PROPERTY AND EQUIPMENT:

Changes in property and equipment for the reporting periods ended March 31, 2025 and 2024, are as follows (in thousands of Korean won):

Current period

Accounts	April 1, 2024	Acquisition	Disposal	Depreciation	March 31, 2025
-Equipment	10,385	-	-	(3,109)	7,276
-Office equipment	-	5,655	-	(948)	4,707
-Furniture and fixtures	-	9,311	-	(1,619)	7,692
-Leasehold improvements	-	19,157	-	(8,780)	10,377
-Right of use asset	-	68,643	-	(31,457)	37,186
Total	10,385	102,766	-	(45,913)	67,238

Prior period

Accounts	April 1, 2023	Acquisition	Disposal	Depreciation	March 31, 2024
-Equipment	₩7,478	₩6,540	-	₩(3,633)	₩10,385

5. MONETARY ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES:

Monetary assets and liabilities denominated in foreign currencies as of March 31, 2025 and 2024, are as follows (in foreign currencies and thousands of Korean won):

		March 31, 2025		March 31, 2024	
	Foreign currency	Foreign currencies	Korean won equivalent	Foreign Currencies	Korean won equivalent
Assets:					
-Cash equivalent	USD	26,256	₩38,699 -	252,144	₩339,538
-Trade account	USD	2,917,444	4,299,947	2,798,265	3,768,163
receivable	EUR	-	-	1,453	2,111
	SGD	156,452	171,737-	70,819	70,678
	AUD	-	-	1,415	1,243
-Short-term loans to affiliated company	USD	1,280,000	1,886,560		1,723,657
Liabilities:					
-Trade accounts payable	USD	62,116	₩91,551	63,316	₩85,261
	EUR	20,835	33,218	33,271	48,342
	CHF	1,117	1,861	423	631
	SGD	205,163	225,207	499,412	498,415
	JPY	-	-	1,571,675	13,982
	CNY	25,612	5,207	-	-

6. DEFINED BENEFITS LIABILITIES:

(1) Changes in defined benefits liabilities for the reporting periods ended March 31, 2025 and March 31, 2024, are as follows (in thousands of Korean won):

	Current period	Prior period
-Beginning	₩39,548	₩78,117
-Current service cost	1,745	26,574
-Net interest cost	28,106	762
-Remeasurement:	6,386	-
-Actuarial gain from adjustment of experience.	-	(353)
-Payment	-	(65,552)
-Ending	₩75,785	₩39,548

As at March 31, 2025, the Company has plan asset to fund defined benefit liabilities by 115,624 thousand won.

(2) The principal actuarial assumptions as of March 31, 2025 and March 31, 2024, are follows:

	March 31, 2025	March 31, 2024
-Discount rate	3.78%	4.66%
-Salary growth rate	3%	3.00%

7. COMMON STOCK:

(1) Details of common stock as of March 31, 2025 and March 31, 2024, are as follows (in thousands of Korean won, except for share data):

	March 31, 2025	March 31, 2024
-Number of shares authorized	1,000,000 shares	1,000,000 shares
-Par value	₩10	₩10
-Number of shares issued	30,001 shares	30,001 shares
-Common stock	₩300,010	₩300,010

(2) There are no changes in capital stock for the reporting periods ended March 31, 2025 and March 31, 2024.

8. STATEMENT OF APPROPRIATION OF RETAINED EARNINGS:

Statement of appropriation of retained earnings for the reporting periods ended March 31, 2025 and March 31, 2024, are as follows (in thousands of Korean won):

	Current period	Prior period
RETAINED EARNINGS BEFORE APPROPRIATION:		
-Beginning of period	₩4,369,463	₩9,308,546
-Net income	580,847	425,148
-Actuarial gains(losses), net of tax	(6,135)	234
-Dividend	-	(5,364,465)
-Reclassify	(50,000)	-
-End of period	4,894,175	4,369,463
APPROPRIATION OF RETAINED EARNINGS:	-	-
UNAPPROPRIATED RETAINED EARNINGS TO BE CARRIED FORWARD TO SUBSEQUENT PERIOD	₩4,894,175	₩4,369,463

9. SELLING AND ADMINISTRATIVE EXPENSES:

Details of selling and administrative expenses for the reporting periods ended March 31, 2025 and March 31, 2024, are as follows (in thousands of Korean won):

Accounts	Current period	Prior period
-Salaries	₩357,072	₩347,981
-Provision for severance indemnities	27,449	26,377
-Employee welfare	48,941	37,411
-Recruitment	2,205	4,833
-Travel	7,085	10,074
-Entertainment	9,844	6,523
-Communications	4,119	3,339
-Utilities	-	-
-Taxes and dues	209	4,544
-Depreciation	45,914	3,633
-Rent	1,080	34,052
-Repair and maintenance	13,270	4,042
-Insurance	4,797	26,487
-Vehicles	-	-
-Office supplies	1,946	1,897
-Commission	154,367	114,808
-Software maintenance	44,896	22,528
-Bad debt expense	(49,332)	-
Total	₩673,862	₩648,529

10. INCOME TAX EXPENSE:

(1) The components of income tax expense for the reporting periods ended March 31, 2025 and March 31, 2024, are as follows (in thousands of Korean won):

	Current period	Prior period
Current tax expenditure	₩10,362	₩130,869
Changes in deferred tax for temporary differences	106,333	(101,331)
Actuarial gain(loss)	(674)	62
Other	11,901	(18,531)
Income tax expense	₩127,922	₩11,069

(2) The income tax expense calculated by applying statutory tax rates to the Company's income before income taxes for the reporting period, differs from the actual tax expense in the statement of income for the reporting periods ended March 31, 2025 and March 31, 2024, for the following reasons (in thousands of Korean won):

Description	Current period	Prior period
Income before income tax expense	₩708,769	₩436,217
Tax expense at the statutory tax rate	126,133	69,169
Adjustment		
Non-deductible expense etc.	-	1,003
Other	1,789	(59,103)
Income tax expense	₩127,922	₩11,069
Effective tax rate	18.0%	2.5%

(3) Changes in temporary differences for the reporting periods ended March 31, 2025 and March 31, 2024, and the related deferred tax assets (liabilities) as of March 31, 2025 and March 31, 2024, are as follows (in thousands of Korean won):

Current period

Description	April 1, 2024	Increase	Decrease	March 31, 2025
Gain on foreign currency translation	₩(709,665)	-	(498,107)	₩(1,207,771)
Accrued expenses	73,059	73,059	70,074	70,074
Severance benefit	39,548	-	36,237	75,785
Pension plan assets	(39,548)	-	(36,237)	(75,785)
Bad debt allowance	8,527	8,527	-	-
ROU	-	-	(68,643)	(68,643)
ROU_accumulated depreciation	-	-	31,457	31,457
Lease liability	-	-	38,034	38,034
Subtotal	(628,079)			(1,136,849)
Not recognized as deferred tax assets	-			-
Recognized as deferred tax assets(liabilities)	₩(628,079)			₩(1,136,849)
Tax rate	20.9%			20.9%
Deferred tax assets(liabilities), net	₩(131,268)			₩(237,601)

Prior period

Description	April 1, 2023	Increase	Decrease	March 31, 2024
Gain on foreign currency translation	₩(1,155,074)	₩445,410	₩0	₩(709,664)
Accrued expenses	102,499	73,059	102,499	73,059
Severance benefit	78,117	26,983	65,552	39,548
Pension plan assets	(96,851)	(37,139)	(94,443)	(39,547)
Bad debt allowance	3,648	8,527	3,648	8,527
Unpaid severance benefit	62,768	-	62,768	0
Subtotal	(1,004,893)			(628,079)
Not recognized as deferred tax assets	-			-
Recognized as deferred tax assets(liabilities)	₩(1,004,893)			₩(628,079)
Tax rate				20.9%
Deferred tax assets(liabilities), net	₩(232,599)			₩(131,268)

11. STATEMENT OF CASH FLOWS:

The statements of cash flows are presented using the indirect method. Significant non-cash transactions for the reporting periods ended March 31, 2025 and March 31, 2024, are as follows (in thousands of Korean won):

Account	Current period	Prior period
Recognition of right of use assets and lease liabilities	₩68,643	-
Set-off of dividends and loans to affiliates	-	₩4,705,091

12. RELATED-PARITY TRANSACTIONS:

(1) As of March 31, 2025, the related parties of the Company are as follows:

Relationship	Name of the company
Ultimate Parent	TVS Supply Chain Solutions Pte Ltd.
Parent	TVS SCS Singapore Pte Ltd
Others	HANOI BRANCH OF TVS SCS VIETNAM COMPANY LIMITED / PT. TVS SCS INDONESIA / PT. TVS SCS INDONESIA / TVS SCS (AUST) PTY. LTD. / TVS SCS DEUTSCHLAND GMBH / TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED / TVS SCS HONG KONG LIMITED / TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U. / TVS SCS LOGISTICS (THAILAND) LIMITED / TVS SCS LOGISTICS LTD / TVS SCS LOGISTICS LTD GUANGZHOU BRANCH / TVS SCS MALAYSIA SDN BHD / TVS SCS MALAYSIA SDN BHD - JB BRANCH / TVS SCS NEW ZEALAND LIMITED / TVS SCS RICO ITALIA SRL / TVS SCS TAIWAN LIMITED / TVS SCS VIETNAM COMPANY LIMITED / TVS SUPPLY CHAIN LOS ANGELES BRANCH / TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA INC / TVS SUPPLY CHAIN SOLUTIONS PTE LTD / TVS SCS LOGISTICS LTD BEIJING BRANCH

(2) Significant transactions (in thousands of Korean won):

		Current period		
Relationship	Company	Sales	Expense	Interest income
-Ultimate parent	TVS Supply Chain Solutions Pte Ltd	₩-	₩89,511	₩-
-Parent	TVS SCS Singapore Pte Ltd	251,742	140,377	95,907
-Others	HANOI BRANCH OF TVS SCS VIETNAM COMPANY LIMITED	1,255	-	-
	PT. TVS SCS INDONESIA	11,500	1,564	-
	TVS SCS (AUST) PTY. LTD.	65,436	72	-
	TVS SCS DEUTSCHLAND GMBH	12,891	1,067	-
	TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	149,560	8,874	-
	TVS SCS HONG KONG LIMITED	1,503	-	-
	TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	25,672	6,609	-
	TVS SCS LOGISTICS (THAILAND) LIMITED	483	41	-
	TVS SCS LOGISTICS LTD	455	491	-
	TVS SCS LOGISTICS LTD GUANGZHOU BRANCH	86,372	5,917	-
	TVS SCS NEW ZEALAND LIMITED	35,681	24	-
	TVS SCS RICO ITALIA SRL	1,466	-	-
	TVS SCS TAIWAN LIMITED	-	498	-
	TVS SCS VIETNAM COMPANY LIMITED	4,594	-	-
	TVS SUPPLY CHAIN LOS ANGELES BRANCH	2,772	-	-
	TVS SCS LOGISTICS LTD BEIJING BRANCH	-	567	-
	Total	₩651,382	₩255,612	₩95,907

		Prior period		
Relationship	Company	Sales	Expense	Interest income
-Ultimate parent	TVS Supply Chain Solutions Pte Ltd	₩790	₩60,401	₩-
-Parent	TVS SCS Singapore Pte Ltd	226,287	156,321	178,160
-Others	TVS SCS Logistics Ltd (China)	1,078	14,743	-
	TVS SCS Logistics (Thailand) Limited	1,860	-	-
	PT Pan Asia Logistics Indonesia	-	298,971	-
	TVS SCS Vietnam Company Limited	2,006	-	-
	TVS SCS Malaysia Sdn Bhd	3,083	53,762	-
	TVS SCS Deutschland GmbH	91,659	-	-
	TVS SCS International Freight (Spain), S.L.U	38,351	13,236	-
	TVS SCS (Aust) Pty Ltd	67,180	298	-
	TVS SCS New Zealand Limited	29,385	-	-
	TVS SCS Global Freight Solutions Limited	118,681	210	-
	TVS SCS RICO ITALIA SRL	804	-	-
	TVS SCS HONG KONG LIMITED	300	-	-
	Total	₩581,464	₩597,942	₩178,160

(3) Significant account balances (in thousands of Korean won):

		March 31, 2025		
Relationship	Company	Receivables	Payables	Loan
-Ultimate parent	TVS Supply Chain Solutions Pte Ltd	₩2,287	₩86,153	₩-
-Parent	TVS SCS Singapore Pte Ltd	2,594,062	142,302	1,886,560
-Others	HANOI BRANCH OF TVS SCS VIETNAM COMPANY LIMITED	1,282	-	-
	PT. TVS SCS INDONESIA	4,105	5,246	-
	TVS SCS (AUST) PTY. LTD.	726,648	-	-
	TVS SCS DEUTSCHLAND GMBH	862,604	1,115	-
	TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	25,252	8,472	-
	TVS SCS HONG KONG LIMITED	2,276	-	-
	TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	20,461	4,161	-
	TVS SCS LOGISTICS (THAILAND) LIMITED	487	496	-
	TVS SCS LOGISTICS LTD	8,696	4,311	-
	TVS SCS LOGISTICS LTD GUANGZHOU BRANCH	86,855	6,763	-
	TVS SCS MALAYSIA SDN BHD	6,285	1,543	-
	TVS SCS MALAYSIA SDN BHD - JB BRANCH	15	-	-
	TVS SCS NEW ZEALAND LIMITED	26,251	-	-
	TVS SCS RICO ITALIA SRL	2,509	184	-
	TVS SCS TAIWAN LIMITED	-	836	-
	TVS SCS VIETNAM COMPANY LIMITED	11,237	59,773	-
	TVS SUPPLY CHAIN LOS ANGELES BRANCH	3,087	-	-
	TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA INC	286	-	-
	TVS SCS LOGISTICS LTD BEIJING BRANCH	-	602	-

Total	₩4,384,685	₩321,957	₩1,886,560

		March 31, 2024		
Relationship	Company	Receivables	Payables	Loan
-Ultimate parent	TVS Supply Chain Solutions Pte Ltd	₩41,196	₩-	₩-
-Parent	TVS SCS Singapore Pte Ltd	2,272,582	528,344	1,723,656
-Others	TVS SCS Logistics Ltd (China)	-	4,103	-
	TVS SCS Logistics (Thailand) Limited	1,302	-	-
	Pan Asia Container Line Pte Limited	-	-	-
	PT Pan Asia Logistics Indonesia	2,552	-	-
	TVS SCS Vietnam Company Limited	5,865	54,611	-
	TVS SCS Malaysia Sdn Bhd	5,756	665	-
	TVS SCS Deutschland GmbH	773,955	14,887	-
	TVS SCS International Freight (Spain), S.L.U	5,596	-	-
	TVS SCS (Aust) Pty Ltd	625,090	750	-
	TVS SCS New Zealand Limited	10,775	-	-
	TVS SCS Global Freight Solution Limited	29,678	-	-
	TVS SCS RICO ITALIA SRL	815	-	-
	TVS SCS HONG KONG LIMITED	298	-	-
	Total	₩3,775,460	₩603,360	₩1,723,656

(4) Significant loan transactions (in thousands of Korean won)

	Current period				
Company	April 1, 2024	Increase	Decrease	F/X Effect	March 31, 2025
TVS SCS Singapore Pte Ltd	₩1,723,657	₩-	₩-	₩162,903	₩1,886,560

	Prior period				
Company	April 1, 2023	Increase	Decrease	F/X Effect	March 31, 2024
TVS SCS Singapore Pte Ltd	₩5,522,402	₩-	₩(3,306,356)	₩(492,390)	₩1,723,656

13. INSURANCE COVERAGE:

The Company's insurance policies as of March 31, 2024, are as follows(in thousands of Korean won):

Type of insurance	Assets	Coverage	Insurance company
Goods Legal Liability	Goods Legal Liability	6,741,800	AIG Insurance

14. COLLATERAL, GUARANTEES AND CONTINGENCIES:

(1) Guarantees provided by others

The Company was provided guarantees of ₩6.5 million by Seoul Guarantee Insurance Company for performance guarantee.

(2) Guarantees provided by the Company

As of March 31, 2025, there are no guarantees provided by the Company to others.

(3) Litigation

As of March 31, 2025, there is no outstanding litigation against the Company.

15. FINANCIAL INSTRUMENTS:

(1) There is no financial instrument, which is measured at fair value subsequent to initial recognition as of March 31, 2025 and March 31, 2024.

(2) Maturity analysis for financial liabilities and financial risk management

1) The Company's financial liabilities by residual contractual maturity as of March 31, 2025 and March 31, 2024, are classified as follows (in thousands of Korean won):

Current period

Description	Less than 1 year	1–5 years	More than 5 years	Total
Trade accounts payable	₩419,041	₩-	₩-	₩419,041
Accrued expenses	₩70,074	-	-	₩70,074
Total	₩489,115	₩-	₩-	₩489,115

Prior period

Description	Less than 1 year	1–5 years	More than 5 years	Total
Trade accounts payable	₩710,654	₩-	₩-	₩710,654
Accrued expenses	73,059	-	-	73,059
Total	₩783,713	₩-	₩-	₩783,713

2) Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Board of directors, which has the primary responsibilities for liquidity risk management, aims to maintain flexibility in funding by keeping committed credit lines available and maintaining enough reserves to avoid any potential cash shortfalls. The Company ensures that it has sufficient cash on demand to meet its liabilities when due, with cash flows from operating activities and financial assets.

TVS SCS Logistics (Thailand) Limited

FY 2024-25

ธรรมนิติ
DHARMNITI

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of
TVS SCS Logistics (Thailand) Limited

Opinion

I have audited the financial statements of TVS SCS Logistics (Thailand) Limited (the Company), which comprise the statement of financial position as at March 31, 2025 , and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of TVS SCS Logistics (Thailand) Limited as at March 31, 2025, its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further describe in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Significant Uncertainties Related to Going concern

I draw our attention to Note 2 in the note to financial statements. As at March 31, 2025, the Company has total deficit amounting to Baht 60.93 million. The event or situation above as well as other matter as described in Note 2 present significant uncertainties which may cast significant doubt about the Company's ability to continue as a going concern. Nevertheless. My opinion has not changed on this matter.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Methavee Chanasongkram.

(Miss Methavee Chanasongkram)
Certified Public Accountant
Registration No. 12784

Dharmniti Auditing Company Limited
Bangkok, Thailand
May 30, 2025

TVS SCS LOGISTICS (THAILAND) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

ASSETS

	Note	Baht 2025	Baht 2024
Current assets			
Cash and cash equivalents	6	19,102,078.54	27,161,363.60
Trade and other current receivables	5, 7	25,501,240.28	24,924,372.52
Short - term loan to related parties	5, 8	-	10,000,000.00
Other current assets		1,509,312.19	1,899,617.47
Total current assets		46,112,631.01	63,985,353.59
Non-current assets			
Equipment	9	52,913.11	94,668.56
Right-of-use assets	10	702,988.26	1,317,091.26
Intangible assets	11	62,407.99	71,406.50
Deferred tax asset	12	905,756.20	666,763.60
Withholding tax at source		3,181,859.20	1,397,319.54
Other non-current assets		149,300.00	506,010.00
Total non-current assets		5,055,224.76	4,053,259.46
TOTAL ASSETS		51,167,855.77	68,038,613.05

Notes to the financial statements form an integral part of the financial statements.

TVS SCS LOGISTICS (THAILAND) LIMITED

STATEMENT OF FINANCIAL POSITION (Cont.)

AS AT MARCH 31, 2025

LIABILITIES AND SHAREHOLDERS' EQUITY

	Note	Baht	
		2025	2024
Current liabilities			
Trade and other current payable	5, 13	97,926,569.13	132,233,551.71
Current portion of lease liabilities	14	306,627.00	1,066,947.00
Other current liabilities		910,184.55	935,176.49
Total current liabilities		99,143,380.68	134,235,675.20
Non - current liabilities			
Lease liabilities	14	414,741.00	335,677.00
Provisions for employee benefit	16	4,834,011.00	3,639,048.00
Total non-current liabilities		5,248,752.00	3,974,725.00
TOTAL LIABILITIES		104,392,132.68	138,210,400.20

Notes to the financial statements form an integral part of the financial statements.

TVS SCS LOGISTICS (THAILAND) LIMITED

STATEMENT OF FINANCIAL POSITION (Cont.)

AS AT MARCH 31, 2025

LIABILITIES AND SHAREHOLDERS' EQUITY (Cont.)

	Note	Baht	
		2025	2024
Shareholders' equity			
Share capital			
Authorized, share capital			
520,410 preference shares of Baht 10 each	18	5,204,100.00	5,204,100.00
500,000 ordinary shares of Baht 10 each		5,000,000.00	5,000,000.00
		10,204,100.00	10,204,100.00
Issued and paid-up share capital			
520,410 preference shares of Baht 10 each	18	5,204,100.00	5,204,100.00
500,000 ordinary shares of Baht 5 each		2,500,000.00	2,500,000.00
		7,704,100.00	7,704,100.00
Retained earnings (deficit)			
Unappropriated		(60,928,376.91)	(77,875,887.15)
TOTAL SHAREHOLDERS' EQUITY		(53,224,276.91)	(70,171,787.15)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		51,167,855.77	68,038,613.05

Notes to the financial statements form an integral part of the financial statements.

TVS SCS LOGISTICS (THAILAND) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED MARCH 31, 2025

	Note	Baht	
		2025	2024
Revenues			
Services income	5	122,677,960.59	128,616,828.49
Other income	5	11,149,865.05	16,492.39
Total revenues		133,827,825.64	128,633,320.88
Expenses			
Cost of services	5	89,744,473.06	97,140,164.65
Administrative expenses	5	27,690,243.94	45,012,330.16
Finance cost	5	64,267.00	367,936.07
Total expenses		117,498,984.00	142,520,430.88
Profit (loss) before income tax expenses (tax income)		16,328,841.64	(13,887,110.00)
Income tax expenses (tax income)	20	(314,927.80)	(258,987.60)
Profit (loss) for the year		16,643,769.44	(13,628,122.40)
Other comprehensive income (loss)			
Items that will not be reclassified to profit or loss			
Actuarial gain (loss) on defined employee benefit plans	16	379,676.00	(1,043,761.00)
Income tax relating to items that will not be reclassified to profit or loss	12	(75,935.20)	208,752.20
Other comprehensive income (loss) for the year - net of tax		303,740.80	(835,008.80)
Total comprehensive gain (loss) for the year		16,947,510.24	(14,463,131.20)
Basic gain (loss) per share	21		
Profit (loss) for the year		33.29	(27.26)

Notes to the financial statements form an integral part of the financial statements.

TVS SCS LOGISTICS (THAILAND) LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

		Baht			
		Paid - up Share Capital		Retained earnings	Total
	Note	Preference Shares	Ordinary Shares	(Deficit)	
Balance as at March 31, 2023		5,204,100.00	2,500,000.00	(63,412,755.95)	(55,708,655.95)
Total comprehensive income for the year					
Loss for the year		-	-	(13,628,122.40)	(13,628,122.40)
Other comprehensive income (loss) net of tax					
Actuarial loss on defined employee benefit plans	16	-	-	(835,008.80)	(835,008.80)
Balance as at March 31, 2024		5,204,100.00	2,500,000.00	(77,875,887.15)	(70,171,787.15)
Total comprehensive income for the year					
Profit for the year		-	-	16,643,769.44	16,643,769.44
Other comprehensive income (loss) net of tax					
Actuarial gain on defined employee benefit plans	16	-	-	303,740.80	303,740.80
Balance as at March 31, 2025		5,204,100.00	2,500,000.00	(60,928,376.91)	(53,224,276.91)

Notes to the financial statements form an integral part of the financial statements.

TVS SCS LOGISTICS (THAILAND) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025

	Baht	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) before income tax expense for the year	16,328,841.64	(13,887,110.00)
Adjustment to reconcile profit (loss) for the year to net cash provided by (used in) operating activities:		
Depreciation and amortization	533,014.56	1,149,843.01
Write off of withholding tax	-	2,105,651.40
Gain (loss) on unrealized currency exchange	776,140.44	(1,238,776.50)
Gain (loss) from sale of fixed assets	39,020.40	(1,858.00)
Gain from termination of lease	(61,378.50)	-
Interest income	(184,945.32)	(6,415.21)
Expense for provision for employee benefit	1,574,639.00	1,972,877.00
Interest expense	64,267.00	367,936.07
Gain from operating activities before changes in operating assets and liabilities	19,069,599.22	(9,537,852.23)
(Increase) decrease in operating assets		
Trade and other current receivables	(607,760.50)	14,981,654.72
Other current assets	390,305.28	1,348,472.94
Other non-current assets	356,710.00	500.00
Increase (decrease) in operating liabilities		
Trade and other current payables	(35,060,449.46)	(6,105,183.23)
Cash paid for employee benefit obligations	-	(677,939.00)
Other current liabilities	(24,991.94)	41,629.69
Cash received (paid) from operations	(15,876,587.40)	51,282.89
Cash received from withholding tax refund	-	1,036,767.85
Cash paid for income tax expense	(1,784,539.66)	(1,397,319.54)
Net cash used in operating activities	(17,661,127.06)	(309,268.80)

Notes to the financial statements form an integral part of the financial statements.

TVS SCS LOGISTICS (THAILAND) LIMITED

STATEMENT OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED MARCH 31, 2025

	Baht	
	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for short-term loans to related companies	-	(10,000,000.00)
Cash received from short-term loans to related companies	10,000,000.00	-
Cash paid for purchase of fixed assets	(28,300.00)	(92,009.72)
Cash received from sale of fixed assets	4,000.00	1,860.00
Cash received from interest income	193,164.50	6,415.21
Net cash provided by (used in) investing activities	10,168,864.50	(10,083,734.51)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received for short-term loans from related companies	-	9,000,000.00
Cash paid from short-term loans from related companies	-	(20,524,831.86)
Cash paid for liabilities under lease agreements	(502,755.50)	(1,096,640.00)
Cash paid for interest expense	(64,267.00)	(6,262,868.50)
Net cash used in financing activities	(567,022.50)	(18,884,340.36)
Net increase (decrease) in cash and cash equivalents	(8,059,285.06)	(29,277,343.67)
Cash and cash equivalents - beginning of year	27,161,363.60	56,438,707.27
Cash and cash equivalents - ending of year	19,102,078.54	27,161,363.60
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS		
Non-cash flows items:		
- Increase in leases liabilities	937,603.00	-

Notes to the financial statements form an integral part of the financial statements.

TVS SCS LOGISTICS (THAILAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2025

1. GENERAL INFORMATION

(a) Legal status and address

TVS SCS Logistics (Thailand) Limited The Company was registered to be a limited Company with the Ministry of Commerce on March 11, 2004.

The address of its registered office is as follows:

Head office : 65, 42 Tower, 10 Floor, Room No. 1005, Soi Sukhumvit 42 (Kluaynamthai), Sukhumvit Road, Prakanong, Klongtoey, Bangkok.

(b) Nature of the Company's business

Main business activities of the Company is freight forwarding services.

(c) Major shareholder companies

Its major shareholders are TVS SCS Singapore Company Limited, a company incorporated in Singapore (holding 49%) and TVS Supply Chain Solutions (Thailand) Limited (holding 51%).

2. RESULT OF OPERATION

As at March 31, 2025 and 2024, the Company had deficit of Baht 60.93 million and Baht 77.88 million, respectively, and current liabilities higher than current assets of Baht 53.03 million and 70.25 million, respectively, The Company's ability for repayment to liabilities depends on opportunity to seek for the financial support and support assistance from parent company and management's ability of the Company is now to solve its operation. These factors indicate the existence of material uncertainties which cast significant doubt over the Company's ability to operate and continue as a going concern. These financial statements have been prepared in accordance with the financial reporting standards for Publicly Accountable Entities and on the assumption that the Company will continue as a going concern. Accordingly, they do not include any adjustments relating to the recoverability of the carrying value of assets or the amount and reclassification of liabilities that might be necessary should the Company be unable to continue as a going concern.

3. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

3.1 Basis for preparation of financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the financial reporting standards for Publicly Accountable Entities. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

3.2 Revised financial reporting standards effective in the current year

The Company has adopted the revised financial reporting standards for accounting periods beginning on or after January 1, 2024. These adjustments are intended to make the financial reporting standards clearer and more appropriate. These adjustments do not have material impact on the financial statements in the current year.

3.3 Revised financial reporting standards that will be effective in the future

The Federation of Accounting Professions has announced the adoption of the revised financial reporting standards which will be effective for the financial statements for accounting periods beginning on or after January 1, 2025. These adjustments are based on International Financial Reporting Standards with most of the adjustments clarifying accounting practices and providing accounting guidance to users of the standards.

The management of the Company believes that the adjustments will not have material impact on the financial statements in the year in which these standards are initially applied.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenues and expenses recognition

The Company recognizes agency commission and other service income excluding value added tax, when the services have already been rendered.

The Company recognizes other income and expenses on the accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at bank, and all highly liquid investment with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable, other current receivable and allowance for expected credit losses.

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at its present value.

Trade receivables are stated at the amount expected to be collectible, the Company apply the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables, and accordingly adjusts the historical loss rates based on expected changes in these factors. The impairment losses are recognized in profit or loss within administrative expenses.

4.4 Equipment

Equipment is stated at cost less accumulated depreciation and impairment loss (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company (if any).

Allowance for impairment loss of assets will be made when there is any event or circumstance indicating that the recoverable values of these assets are less than their carrying values.

Expenditure incurred in addition, renewal or betterment are recorded add in involve fixed asset, if it is certainly probable the future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Repair and maintenance costs are recognized as an expense when incurred.

Depreciation is calculated by cost less residual value on the straight-line basis over the estimated useful lives of the assets as follows:

	Years
Office equipment	3 - 5
Furniture and fixtures	5

The Company has reviewed the residual value and useful life of the assets every year.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

No depreciation is provided on construction in progress and equipment under installation.

Equipment are written off at disposal. Gain or losses arising from sale or write - off of assets are recognized in the statement of comprehensive income.

4.5 Intangible assets

Intangible assets is presented at cost less accumulated amortization and allowance for impairment (if any).

Amortization is calculated by the straight-line method, based on useful lives of the assets of 5 years.

4.6 Impairment of non - financial assets

As at the statement of financial position date, the Company assesses whether there is an indication of asset impairment. If any such indication exists, the Company will make an estimate of the asset's recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of comprehensive income. In addition, impairment loss is reversed if there is a subsequent increase in the recoverable amount. The reversal shall not exceed the carrying value that would have been determined net of accumulated depreciation or amortization. The recoverable amount of the asset is the asset's value in use or fair value less costs to sell.

4.7 Leases

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Right-of-use assets - as a lessee

Right-of-use assets are recognized at the commencement date of the lease. Right-of-use assets are stated at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of the lease term and the estimated useful lives for each of right-of-use assets.

Lease liabilities

At the commencement date of the lease, lease liabilities are measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and leases of low-value assets

Leased that have a lease term of 12 months or less from the commencement date and not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

4.8 Trade current and others current payable

Trade and other current payable (including balances with related parties) are stated at cost.

4.9 Provisions

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

4.10 Financial instruments

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss. The classification of financial assets at initial recognition is driven by the Company business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Equity instruments can be classified and cannot be changed by two types of measurement which are measuring fair value through profit or loss or measuring fair value through other comprehensive income that without recycling to profit or loss.

The initial recognition of financial assets that are not measured at fair value through profit or loss with fair value plus or deduct transaction cost directly related to the acquisition or issuance. Financial assets that are measured at fair value through profit or loss, transaction costs are recognized as expense in profit or loss.

Subsequent measurement of debt instruments by 3 methods depend on the classification of debt instruments.

- Financial assets measured at amortized cost when financial assets are held to receive cash flow under the agreement and condition of the agreement of the financial assets that generate cash flow to pay the principal and interest from the principal balance on the specified date only. Such financial assets have to be calculated using the effective rate and are subject to impairment assessment. Profit or loss arising from derecognized, modified or impaired will be recognized in profit or loss.
- Financial assets measured at fair value through other comprehensive income when financial assets are held to receive cash flow under the agreement and to sell financial assets and the agreement condition of financial assets generating cash flow that only pays the principal and interest from the principal balance on the specified date. The change of value of financial assets is recognized through other comprehensive income except loss on impairment and interest income and gain and loss on exchange rate are recognized as profit or loss upon recognized of financial assets. Earning or deficit previously recognized in other comprehensive income has to be reclassified into profit or loss. Such financial asset has to be calculated using the effective interest rate same as financial assets measured at amortized cost.
- Financial assets measured at fair value through profit or loss when financial assets that do not meet the criteria for amortized cost or financial assets measured at fair value through other comprehensive income will be presented in the statement of financial position at fair value by recognizing the net change of fair value in profit or loss.

Subsequent valuation of equity instruments must present equity instruments using the fair value and record profit/loss from change in fair value through profit or loss or other comprehensive income depending on equity instruments classification.

Classification and valuation of financial liabilities

The Company are recognized initially of financial liabilities at fair value net of transaction costs and classified as financial liabilities as financial liabilities subsequently measured at amortized cost using the effective rate. The amortized cost is calculated taking into account fees or costs that are an integral part of the effective rate. Amortization by the effective rate is presented as part of financial costs in profit or loss.

Derecognition of financial instruments

Financial assets will be derecognized from the account when the right to receive cash flow of such asset has ended or when the right to receive cash flow of the assets is transferred including upon the transfer of all risk and consideration of that asset or transfer of internal control in that asset although there is no transfer or maintaining of nearly all risk and consideration of such asset.

Financial liabilities will be derecognized from the account when the obligation of such liabilities has been complied, the obligation is cancelled or the obligation has ended. In case existing financial liabilities are changed to new liabilities from one single lender with considerably different requirements or there is a significant amendment in the requirements of existing liabilities, these are considered as recognition old liabilities and recognizing new liabilities by recognizing the difference of such carrying value under profit or loss.

Impairment of financial assets

Expected credit loss for financial assets measured at amortized cost or debt instrument financial asset measured at fair value through other comprehensive income and assets arising from credit facility obligation and financial guarantee agreement are assessed without having to wait for the credit event to occur first. The Company use the general approach in considering the allowance for loss on impairment. For trade receivables, the Company apply a simplified approach in calculating ECLs. The Company recognize a loss based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

Offset of financial instruments

Financial assets and liabilities will be offset and presented at net balance in the statement of financial position in the case legally enforced in offsetting the recognized amount. The Company intend to pay the net balance or intends to receive assets and settle payment of liabilities at the same time.

4.11 Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates would affect to the amount relating to incomes, expenses, assets, liabilities and disclosures of data relating to contingent assets and liabilities. The actual results may differ from amounts already estimated. Significant judgments and estimates are as follows:

4.11.1 Allowance for expected credit losses of trade receivables

In determining an allowance for credit losses of trade receivables, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the financial position of each client.

4.11.2 Determining the lease term of contracts with renewal and termination options

The Company determine the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

4.11.3 Depreciation of equipment and right-of-use assets and amortization of intangible asset

In determining depreciation of equipment and right-of-use assets and amortization of intangible asset, the management is required to make estimates of the useful lives and residual values and to review estimate useful lives and residual values when there are any changes incurred to it.

In addition, the management is required to review equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

4.11.4 Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits.

4.11.5 Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

4.12 Employee benefits

Short-term employment benefits

The Company recognizes salary, wage, bonus and contributions to social security fund and provident fund as expenses when incurred.

Post-employment benefits (Defined contribution plans)

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognized as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Company has obligations in respect of the severance payments that it must pay to the employees upon retirement under the Company's article and the labor law and other employee benefit plans. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees will be recognized immediately in other comprehensive income as a part of retained earning.

4.13 Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Company records income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates 20% of net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future

Deferred tax assets and liabilities are measured at the tax rates that the Company expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

4.14 Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.15 Foreign currency transactions

Transactions in foreign currencies are recorded at the rates prevailing at the transactions date. Assets and liabilities denominated in foreign currencies, at the end of the year are translated into Baht at the rates exchange of at the statement of financial reporting date. Gains or losses from translation are charged to current year operations.

4.16 Basic earnings (loss) per share

Basis earnings (loss) per share is determined by dividing profit (loss) for the year by the weighted average number of ordinary shares held by outsiders and outstanding during the year.

5. RELATED PARTIES TRANSACTION

Such transactions comply with commercial terms and based on the agreed upon between the Company and related parties as an ordinary course of business.

The nature of relationship with related parties can be summarized as follows:

Name of related parties	Nature of relationship
Related companies	
TVS SCS Singapore Pte. Ltd.	Shareholder and co-directors
PT TVS SCS Indonesia	Shareholder and co-directors
TVS SCS Malaysia Ltd.	Shareholder and co-directors
TVS SCS Logistics Ltd.	Shareholder and co-directors
TVS SCS Vietnam Co., Ltd.	Shareholder and co-directors
TVS SCS (Korea) Ltd.	Shareholder and co-directors
TVS SCS Taiwan Ltd.	Shareholder and co-directors
TVS SCS International Pte. Ltd.	Shareholder and co-directors
TVS SCS Deutschland GmbH - Frankfurt	Shareholder and co-directors
TVS SCS Logistics Ltd - Beijing	Shareholder and co-directors
TVS SCS Hong Kong Ltd.	Shareholder and co-directors
TVS SCS Logistics Management Co., Ltd.	Shareholder and co-directors
TVS SCS International Freight (Thailand) Co., Ltd.	Shareholder and co-directors
Transtar International Freight Co., Ltd. - Shanghai	Shareholder and co-directors
TVS SCS (Australia) Pty. Ltd.	Shareholder and co-directors
TVS Supply Chain Solutions (Thailand) Ltd.	Shareholder and co-directors
TVS SCS Global Freight Solutions Ltd.	Shareholder and co-directors

Name of related parties	Nature of relationship
TVS Supply Chain Solutions Pte. Ltd.	Shareholder and co-directors
TVS SCS International Freight (Spain), S.L.U.	Shareholder and co-directors
TVS SCS Deutschland GmbH - Nuremberg	Shareholder and co-directors
TVS SCS New Zealand Limited	Shareholder and co-directors
TVS SCS Rico Italia SRL	Shareholder and co-directors
TVS SCS Deutschland GmbH - Hamburg	Shareholder and co-directors
TVS SCS Philippines Co., Ltd.	Shareholder and co-directors
TVS Supply Chain Solutions North America INC	Shareholder and co-directors

The Company has the policy in pricing for transaction with related parties as follows:

Transactions	Pricing policies
- Freight revenue	- As agreed in the contract
- Handling charges revenue	- As agreed in the contract
- Miscellaneous revenue	- As agreed in the contract
- Interest income	- 3.00% per annum
- Freight cost	- As agreed in the contract
- Handing charges cost	- As agreed in the contract
- Miscellaneous cost	- As agreed in the contract
- Interest expense	- 5.00% - 6.45% per annum

Transaction during the year with related parties for the year ended March 31, 2025 and 2024 were as follow:

	Baht	
	2025	2024
Service income	12,444,296.65	11,964,808.02
Cost of services	53,285,042.19	42,893,310.81
Administrative expense	4,516,002.12	4,836,210.97
Interest income	183,041.08	8,219.18
Interest expense	-	233,286.07

Balance with the related parties as at March 31, 2025 and 2024 consisted of:

	Baht	
	2025	2024
Account receivables		
TVS SCS Singapore Pte. Ltd.	128,711.13	125,605.91
PT TVS SCS Indonesia	23,586.92	20,145.56
TVS SCS Logistics Co., Ltd.	-	5,807.73
TVS SCS Deutschland GmbH - Nuremberg	357,843.57	4,969.40
TVS SCS New Zealand Limited	-	582,964.49
TVS SCS (Australia) Pty. Ltd.	30,470.93	133,142.16
TVS SCS Global Freight Solutions Ltd.	8,551,826.10	97,758.58
TVS SCS Logistics Ltd - Beijing	-	25,050.18
TVS SCS International Freight (Spain), S.L.U.	2,021.74	-
TVS SCS Logistics Management Co., Ltd.	853,358.55	-
	9,947,818.94	995,444.01
Other current receivables		
TVS SCS Logistics Management Co., Ltd.	-	8,219.18
Short-term loans to		
TVS SCS Logistics Management Co., Ltd.	-	10,000,000.00
Account payables		
TVS SCS Singapore Pte. Ltd.	99,096,565.13	127,300,749.35
PT TVS SCS Indonesia	122,164.55	-
TVS SCS Malaysia Ltd.	34,255.09	1,533.77
TVS SCS Logistics Ltd.	(404,630.16)	11,722.18
TVS SCS Vietnam Co., Ltd.	33,663.23	56,215.16
TVS SCS Taiwan Ltd.	-	(2,197.91)
TVS SCS Logistics Ltd - Beijing	-	11,826.67

	Baht	
	2025	2024
TVS SCS (Korea) Ltd.	(291.36)	35,409.76
TVS SCS Deutschland GmbH - Frankfurt	(1,158,259.41)	492,623.15
TVS SCS Deutschland GmbH - Nuremberg	2,679,454.24	2,929,828.54
TVS SCS Deutschland GmbH - Hamburg	973,233.51	337,667.30
TVS SCS Global Freight Solution Ltd.	66,808.36	349,387.15
TVS SCS Rico Italia SRL	10,490.35	9,713.91
TVS SCS New Zealand Limited	(105,423.87)	-
TVS SCS Logistics Management Co., Ltd.	106,632.88	64,374.87
TVS SCS International Freight (Spain), S.L.U.	(194,001.40)	157,757.41
TVS Supply Chain Solutions Pte. Ltd.	(1,822,626.68)	(4,049,263.53)
TVS SCS Hong Kong Ltd.	(11,656.96)	-
TVS SCS (Australia) Pty. Ltd.	(6,177,777.66)	-
TVS SCS Philippines Co., Ltd.	38,856.52	-
TVS Supply Chain Solutions North America INC	57,635.87	-
	93,345,092.23	127,707,347.78
Other payables		
TVS SCS Singapore Pte. Ltd.	-	231,137.11

6. CASH AND CASH EQUIVALENTS

Consisted :-

	Baht	
	2025	2024
Cash on hand	52,702.97	18,089.99
Deposits at bank		
Deposits at bank - current accounts	13,340,878.16	15,172,790.37
Deposits at bank - saving accounts	5,708,497.41	11,970,483.24
Total	19,102,078.54	27,161,363.60

Savings accounts bear interest at floating interest rates which are set by banks.

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NOTES TO THE FINANCIAL STATEMENTS (CONT.)

MARCH 31, 2025

7. TRADE AND OTHER CURRENT RECEIVABLES

Consisted:-

	Baht	
	2025	2024
Trade account receivables		
Other companies	15,410,188.77	23,921,309.20
Related companies	9,947,818.94	995,444.01
Total	25,358,007.71	24,916,753.21
Less Allowance for expected credit losses	(102,705.47)	(102,705.47)
Net	25,255,302.24	24,814,047.74
Other current receivables		
Accrued interest income	-	8,219.18
Prepaid expenses	245,938.04	102,105.60
Total	245,938.04	110,324.78
Trade and other current receivables	25,501,240.28	24,924,372.52

Trade receivables classified by their ages are consisted:-

	Baht	
	2025	2024
Within due period	14,202,952.10	20,367,629.14
Less than and up to 3 months	10,349,574.98	4,237,079.69
Over 3 months up to 6 months	355,111.27	169,069.03
Over 6 months up to 12 months	281,164.39	57,316.57
Over more than 12 months	169,204.97	85,658.78
Total	25,358,007.71	24,916,753.21

TVS SCS LOGISTICS (THAILAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

MARCH 31, 2025

8. SHORT-TERM LOAN TO RELATED PARTIES

Movement of short-term loan to related parties for the years ended March 31, 2025 and 2024 were as follows :

	Baht			
	Book amount	Transaction during the year		Book amount
	Mar 31, 24	Addition	Deduction	Mar 31, 25
TVS SCS Logistics Management Co., Ltd.	10,000,000.00	-	(10,000,000.00)	-
	10,000,000.00	-	(10,000,000.00)	-

	Baht			
	Book amount	Transaction during the year		Book amount
	Mar 31, 23	Addition	Deduction	Mar 31, 24
TVS SCS Logistics Management Co., Ltd.	-	10,000,000.00	-	10,000,000.00
	-	10,000,000.00	-	10,000,000.00

The company has provided loans to related companies with contract and due at call. The loan had no guarantee and interest is charged rate at 3.00% per annum.

9. EQUIPMENT

Consisted:-

	Baht			
	Balance as at	Transactions during the year		Balance as at
	Mar 31, 24	Increase	Decrease	Mar 31, 25
At Cost				
Office equipment	2,935,077.39	25,000.00	(173,367.12)	2,786,710.27
Furniture and fixtures	1,518,956.99	3,300.00	-	1,522,256.99
Total	4,454,034.38	28,300.00	(173,367.12)	4,308,967.26
Less Accumulated depreciation				
Office equipment	(2,897,628.23)	(21,717.44)	130,348.72	(2,788,996.95)
Furniture and fixtures	(1,461,737.59)	(5,319.61)	-	(1,467,057.20)
Total	(4,359,365.82)	(27,037.05)	130,348.72	(4,256,054.15)
Equipment - net	94,668.56			52,913.11

	Baht			
	Balance as at	Transactions during the year		Balance as at
	Mar 31, 23	Increase	Decrease	Mar 31, 24
At Cost				
Office equipment	2,960,167.67	29,009.72	(54,100.00)	2,935,077.39
Furniture and fixtures	1,455,956.99	63,000.00	-	1,518,956.99
Total	4,416,124.66	92,009.72	(54,100.00)	4,454,034.38
Less Accumulated depreciation				
Office equipment	(2,941,341.85)	(10,384.38)	54,098.00	(2,897,628.23)
Furniture and fixtures	(1,452,737.76)	(8,999.83)	-	(1,461,737.59)
Total	(4,394,079.61)	(19,384.21)	54,098.00	(4,359,365.82)
Equipment - net	22,045.05			94,668.56

	Baht	
	2025	2024
Depreciation for the year	27,037.05	19,384.21

As at March 31, 2025 and 2024 assets at cost totaling of Baht 4.24 million and Baht 4.20 million, respectively. are fully depreciated, but these items are still in active use.

10. RIGHT-OF-USE ASSETS

10.1 Right-of-use assets consists of:

	Baht			
	Balance as at	Transaction during the year		Balance as at
	Mar 31, 24	Increase	Transfer-in (Transfer-out)	Mar 31, 25
Cost				
Building	3,250,103.00	937,603.00	(3,250,103.00)	937,603.00
Less Accumulated depreciation	(1,933,011.74)	(496,981.00)	2,195,378.00	(234,614.74)
Right-of-use assets - net	1,317,091.26			702,988.26

	Baht			
	Balance as at	Transaction during the year		Balance as at
	Mar 31, 23	Increase	Transfer-in (Transfer-out)	Mar 31, 24
Cost				
Building	3,250,103.00	-	-	3,250,103.00
Less Accumulated depreciation	(811,552.74)	(1,121,459.00)	-	(1,933,011.74)
Right-of-use assets - net	2,438,550.26			1,317,091.26

The Company lease asset including building of which lease term 3 years.

10.2 Amounts recognized in the statement of comprehensive income for the years ended March 31, 2025 and 2024 are comprise:

	Baht	
	2025	2024
Depreciation of right-of-use assets	496,981.00	1,121,459.00
Interest expense on lease liabilities	64,267.00	134,650.00
Leases of low - value assets	67,400.00	80,400.00
Total	628,648.00	1,336,509.00

For the years ended March 31, 2025 and 2024, the total cash outflow for lease on amount to Baht 0.50 million and Baht 1.10 million, respectively.

11. INTANGIBLE ASSETS

Consisted:-

	Baht			
	Balance as at	Transaction during the year		Balance as at
	Mar 31, 24	Increase	Decrease	Mar 31, 25
Computer software	889,387.76	-	(9,200.00)	880,187.76
Less Accumulated amortization	(817,981.26)	(8,996.51)	9,198.00	(817,779.77)
Computer software - net	71,406.50			62,407.99

	Baht			
	Balance as at	Transaction during the year		Balance as at
	Mar 31, 23	Increase	Decrease	Mar 31, 24
Computer software	889,387.76	-	-	889,387.76
Less Accumulated amortization	(808,981.46)	(8,999.80)	-	(817,981.26)
Computer software - net	80,406.30			71,406.50

	Baht	
	2025	2024
Amortization for the year	8,996.51	8,999.80

TVS SCS LOGISTICS (THAILAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

MARCH 31, 2025

12. DEFERRED TAX ASSETS

Changes in deferred tax assets for the year ended March 31, 2025 and 2024 were summarized as follows:

	Baht			
	Balance as at Mar 31, 24	Income (expense) during the year		Balance as at Mar 31, 25
		In profit or loss	In other comprehensive income	
Deferred tax assets :				
Provisions for employee benefit	666,763.60	314,927.80	(75,935.20)	905,756.20
Total	666,763.60	314,927.80	(75,935.20)	905,756.20

	Baht			
	Balance as at Mar 31, 23	Income (expense) during the year		Balance as at Mar 31, 24
		In profit or loss	In other comprehensive income	
Deferred tax assets :				
Provisions for employee benefit	199,023.80	258,987.60	208,752.20	666,763.60
Total	199,023.80	258,987.60	208,752.20	666,763.60

13. TRADE AND OTHER PAYABLES

Consisted:-

	Baht	
	2025	2024
Trade account payables		
Other companies	4,214,775.55	3,997,701.62
Related companies	93,345,092.23	127,707,347.78
Total	97,559,867.78	131,705,049.40
Other payables		
Accrued expenses	366,701.35	528,502.31
Total	366,701.35	528,502.31
Trade and other payables	97,926,569.13	132,233,551.71

14. LIABILITIES UNDER LEASE AGREEMENTS

The carrying amounts of liabilities under leases agreements and the movement for the year ended March 31, 2025 and 2024 are presented below.

	Baht	
	2025	2024
Liabilities under lease agreements - beginning balance	1,402,624.00	2,499,264.00
Addition	937,603.00	-
Accretion of interest	64,267.00	134,650.00
Payments during the year	(567,022.50)	(1,231,290.00)
Decrease from termination of agreement	(1,116,103.50)	-
Liabilities under lease agreements - ending balance	721,368.00	1,402,624.00
Less: current portion	(306,627.00)	(1,066,947.00)
Lease liabilities - net of current portion	414,741.00	335,677.00

15. SHORT-TERM LOAN FROM RELATED PARTIES

Movement of short-term loan from related parties for the years ended March 31, 2024 and 2023 were as follows :

	Baht				
	Book amount	Transaction during the year		(Gain) loss from	Book amount
	Mar 31, 23	Addition	Deduction	Exchange rate	Mar 31, 24
TVS SCS Singapore Pte. Ltd.	11,494,854.78	-	(11,524,831.86)	29,977.08	-
TVS SCS International Freight (Thailand) Co., Ltd.	-	9,000,000.00	(9,000,000.00)	-	-
	11,494,854.78	9,000,000.00	(20,524,831.86)	29,977.08	-

As at March 31, 2024, the Company has entered into loans agreements from related companies denominated in US Dollar amounting to USD 335,487.88 for use as working capital. Such loans having interest rate at 5.00% - 6.45%, whereby it is committed to pay interest on an annual basis and the loan amount shall be paid on termination of the agreement. The term of the agreements are generally 1 year automatically renewable for successive periods of 1 year each unless cancelled by either party. In 2024, the Company has fully repaid.

16. PROVISIONS FOR EMPLOYEE BENEFIT

The statements of financial position

	Baht	
	2025	2024
Provisions for employee benefit as at beginning balance	3,639,048.00	1,300,349.00
Benefit paid by the plan	-	(677,939.00)
Current service costs and interest	1,574,639.00	1,972,877.00
Actuarial loss (gain) on define employee benefit plans	(379,676.00)	1,043,761.00
Provisions for employee benefit as at ending balance	4,834,011.00	3,639,048.00

Expense recognized in the statements of comprehensive income, were as follow :

	Baht	
	2025	2024
Current service costs		
Administrative expenses	1,506,519.00	1,916,209.00
Interest on obligation	68,120.00	56,668.00
Total	1,574,639.00	1,972,877.00

Principal actuarial assumptions in the estimates based on the actuarial principles

For the year ended March 31, 2025 and 2024.

	Percentage	
	2025	2024
Discount rate	2.09	2.52
Salary increase rate	4.90	4.90
Employee turnover rate	0.00 - 28.00	0.00 - 21.00
Disability rate	5.00 of mortality rate table 2018	5.00 of mortality rate table 2018
Mortality rate	Thai mortality table 2018	Thai mortality table 2018

TVS SCS LOGISTICS (THAILAND) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2025

Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at March 31, 2025 and 2024 are summarized below:

	Baht			
	2025		2024	
	increase	decrease	increase	decrease
Discount rate (1% movement)	(239,831.00)	262,087.00	(222,411.00)	246,009.00
Salary increase rate (1% movement)	274,551.00	(256,303.00)	253,377.00	(233,667.00)
Turnover rate (1% movement)	(249,867.00)	19,331.00	(236,002.00)	41,745.00

17. CAPITAL MANAGEMENT

The primary objective of capital management of the Company is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern. According to the statement of financial position as at March 31, 2025 the Company's debt-to-equity ratio was (1.96) : 1 (as at March 31, 2024 was (2.07) : 1)

18. PREFERENCE SHARES

Preferred shares have preferential right as follows :-

1) The preferred shareholders are entitled to a dividend at the rate of Baht 50,000 per year on all shares held by them. Calculated as the ratio of the value of the paid up shares to be paid at the time the dividend is declared. The right to receive dividends at a rate that does not accumulate. But they shall entitle to receive dividends at such mentioned rate only for the year that its profit is sufficient to allocate only. They have the right to receive dividends at a rate such that a profit sufficient to allocate only.
2) The preferred shareholders have the right to vote 1 vote per 25 preferred shares held and the holders of ordinary shares with voting rights to 1 vote per 1 share held.
3) When the dissolution or liquidation is made the preferred shareholders entitled to receive a refund in the amount of capital has been paid by preferred shareholders only. By receiving prior to an allocation the net assets of the Company to the holders of ordinary shares.

19. OPERATING SEGMENT

The Company operates in one main reportable operating segment that is to manufacture metal mold in only one geographical area: Thailand. The operating segment's performance is regularly reviewed by the chief operating decision maker who is the Executive Directors in order to make decisions about the allocation of resources to the segment and assess its performance. The Company assesses the performance of the operating segment by using the operating profit or loss as the basis consistent with that used to assess operating profit or loss in the financial statements. Therefore, all revenues, operating profits and assets as reflected in the financial statements are the reporting of the reportable operating segment.

The Company's revenue from services from their major customers for the year ended March 31, 2025 and 2024 were summarized as follows:

Type of customers	Baht	
	2025	2024
- Local	99,356,490.01	112,786,304.72
- Oversea	23,321,470.58	15,830,523.77
	122,677,960.59	128,616,828.49

Major customer

Revenues from the major customer of the Company represent approximately for the year ended March 31, 2025 Baht 60.29 million (for the year ended March 31, 2024 Baht 86.47 million of the Company's total revenues.

20. TAX EXPENSE (INCOME)

20.1 Major component of tax expense (income) for the year ended March 31, 2025 and 2024 consisted of:

	Baht	
	2025	2024
Income tax expense (income) shown in profit or loss :		
Current tax expense:		
Income tax expense for the year	-	-
Deferred tax expense (income):		
Changes in temporary differences relating to the original recognition and reversal	(314,927.80)	(258,987.60)
Total	(314,927.80)	(258,987.60)
Income tax relating to components of other comprehensive income:		
Deferred tax relation to:		
Actuarial gain (loss) on defined benefit plans	75,935.20	(208,752.20)
Total	75,935.20	(208,752.20)

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NOTES TO THE FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2025

20.2 A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate for the year ended March 31, 2025 and 2024 which were summarized as follows:

	Baht	
	2025	2024
Accounting profit (loss) for the year	16,328,841.64	(13,887,110.00)
The applicable tax rate (%)	20	20
Tax expense (income) at the applicable tax rate	3,265,768.33	(2,777,422.00)
Reconciliation items:		
Tax effect of expenses that are not deductible in determining tax profit:		
- Expenses not allowed as expenses in determining taxable profit	165,638.04	793,052.96
Unrecognized tax losses on deferred tax assets	-	1,725,381.44
The amount of previously unrecognized tax losses for a prior period that is used to reduce current tax expense	(3,746,334.17)	-
Total reconciliation items	(3,580,696.13)	2,518,434.40
Total tax expense (income)	(314,927.80)	(258,987.60)

As at March 31, 2025 and 2024, the Company had an accumulated loss (in tax) that was still unused of approximately Baht 66.77 million and 79.24 million, respectively. The Company above did not record deferred tax assets from such loss because there was an uncertainty whether the subsidiary would have enough profit to utilize the benefits from deferred tax assets or not.

20.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate for the year ended March 31, 2025 and 2024 were summarized as follows:

	2025		2024	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	16,328,841.64		(13,887,110.00)	
Tax expense (income) at the applicable tax rate	3,265,768.33	20.00	(2,777,422.00)	20.00
Reconciliation items	(3,580,696.13)	(21.93)	2,518,434.40	(18.13)
Tax expense (income) at the average effective tax rate	(314,927.80)	(1.93)	(258,987.60)	(1.87)

TVS SCS LOGISTICS (THAILAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

MARCH 31, 2025

21. BASIC PROFIT (LOSS) PER SHARE

Basic profit (loss) per share is calculated by dividing the net loss for the period by the weighted average number of ordinary shares outstanding during the year.

	2025	2024
Net profit (loss) for the year (Baht)	16,643,769.44	(13,628,122.40)
Portion of preference shareholder (Baht)	-	-
Portion of ordinary shareholder (Baht)	16,643,769.44	(13,628,122.40)
Weighted average number of ordinary share	500,000	500,000
Basic loss per share (Baht per share)	33.29	(27.26)

22. EXPENSES BY NATURE

Significant expenses by nature for the year ended March 31, 2025 and 2024 are as follows:

	Baht	
	2025	2024
Freight cost	59,797,777.61	59,728,694.30
Handling charges cost	37,054,485.27	43,830,415.84
Management fee	4,516,002.12	4,836,210.97
Salary, wages and other employee benefits	12,826,648.05	19,303,306.58
Telephone and utilities	453,110.80	766,729.96
Office service fee	603,834.13	911,197.35
Depreciation and amortization	533,014.56	1,149,843.01

23. PROVIDENT FUND

The Company and its employees have jointly registered a provident fund scheme under the Provident Fund Act B.E. 2530. The Fund is contributed by both employees and the Company. The fund is managed by CIMB-Principle Management Co., Ltd. and will be paid to the employees upon termination in accordance with the rules of the Company staff provident fund. The Company's contribution to the fund for the year ended March 31, 2025 and 2024 amounted to Baht 0.19 million and Baht 0.23 million, respectively.

24. FINANCIAL INSTRUMENTS

24.1 Risk management

The Company manages their financial risk exposure on financial assets and financial liabilities in the normal business by its internal management and control system, The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

24.2 Interest rate risk

The Company is exposed to interest rate risk relates primarily to its cash at banks, short-term loan to related parties and short-term loan from related parties. However, most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market. However, the management believed that the future fluctuation on market interest rate would not provided significant effect to their operations and cash flows, therefore; no financial derivative was adopted to manage such risks.

As at March 31, 2025, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

	Baht				Effective
	Floating interest rate	Fixed interest rate	Interest - free	Total	interest rate per annum (%)
Financial assets					
Cash and cash equivalents	5,708,497.41	-	13,393,581.13	19,102,078.54	0.05
Trade and other current receivable	-	-	25,501,240.28	25,501,240.28	-
Short-term loan to related parties					
Financial liabilities					
Trade and other current payable	-	-	97,926,569.13	97,926,569.13	-
Lease liabilities	-	721,368.00	-	721,368.00	7.00

As at March 31, 2024, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

	Baht				Effective
	Floating interest rate	Fixed interest rate	Interest - free	Total	interest rate per annum (%)
Financial assets					
Cash and cash equivalents	11,988,573.23	-	15,172,790.37	27,161,363.60	0.15
Trade and other current receivable	-	-	24,924,372.52	24,924,372.52	-
Short-term loan to related parties	-	10,000,000.00	-	10,000,000.00	3.00
Financial liabilities					
Trade and other current payable	-	-	132,233,551.71	132,233,551.71	-
Lease liabilities	-	1,402,624.00	-	1,402,624.00	7.00

24.3 Credit risk

The Company is exposed to credit risk primarily relating to trade accounts receivable. The management of the Company manages this risk by establishing appropriate credit control policies and procedures. Therefore, it does not expect to incur material losses from debt collection more than the amount already provided in the allowance for doubtful accounts.

24.4 Foreign currency risk

The Company do hold risk from fluctuation of exchange rate in the oversea currencies and net monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency.

24.5 Liquidity risk

The Company manage its liquidity risk by maintaining adequate level of cash and cash equivalents to support the Company's operations as well as securing short-term credit facilities from financial institutions for reserve as necessary and to reduce the impact of fluctuations in cash flow.

24.6 Fair value

The carrying amount of financial assets and financial liabilities as presented in the statement of financial position are mostly bear floating interest rates or fixed interest rates which are close to market rate. The management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying amount.

TVS SCS LOGISTICS (THAILAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

MARCH 31, 2025

25. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended March 31, 2025 and 2024 are as follows:

	Baht			
	Balance as at March 31, 2024	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at March 31, 2025
Leases liabilities	1,402,624.00	(502,755.50)	(178,500.50)	721,368.00
Total	1,402,624.00	(502,755.50)	(178,500.50)	721,368.00

	Baht			
	Balance as at March 31, 2023	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at March 31, 2024
Short-term loan from related parties	11,494,854.78	(11,524,831.86)	29,977.08	-
Leases liabilities	2,499,264.00	(1,096,640.00)	-	1,402,624.00
Total	13,994,118.78	(12,621,471.86)	29,977.08	1,402,624.00

26. COMMITMENT AND CONTINGENT LIABILITIES

As at March 31, 2025 and 2024, the company has outstanding lease commitments regarding office space and related service, equipment rental and vehicle rental which are non-cancelable agreements are as follows:

	Baht	
	2025	2024
Due within 1 year	640,800.00	185,481.28
Due after 1 year but within 5 years	774,600.00	167,400.00
Total	1,415,400.00	352,881.28

27. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors of the Company on May 30, 2025.

TVS SCS Hong Kong Limited

FY 2024-25

Independent Auditors' Report to the Sole Shareholder of

TVS SCS HONG KONG LIMITED
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of TVS SCS Hong Kong Limited set out on pages 6 to 29, which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the company as at 31 March 2025, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance Cap 622.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The directors are responsible for the other information. The other information comprises all the information included in the directors' report, other than the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditors' Report to the Sole Shareholder of

TVS SCS HONG KONG LIMITED
(Incorporated in Hong Kong with limited liability)

Responsibilities of directors and those charged with governance for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance Cap 622, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. This report is made solely to you in accordance with section 405 of the Hong Kong Companies Ordinance Cap 622, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Auditors' responsibilities for the audit of the financial statements (Cont'd)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control, if any, that we identify during our audit.

Wong Brothers CPA Limited
Certified Public Accountants (Practising)

Wong Wai Pui
Practising Certificate Number: P02704

Hong Kong, 30 JUN 2025

TVS SCS HONG KONG LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 HK$	2024 HK$
Revenue	5	17,542,550	12,497,782
Direct freight and handling costs		(13,666,914)	(8,914,287)
Gross profit		3,875,636	3,583,495
Other income	5	51,653	240,889
Administrative and general expenses		(4,658,881)	(5,093,440)
Finance cost		(19,562)	(41,147)
Loss before tax	6	(751,154)	(1,310,203)
Income tax	8	(251,115)	251,115
Loss for the year		(1,002,269)	(1,059,088)
Other comprehensive income		--	--
Total comprehensive income for the year		(1,002,269)	(1,059,088)

TVS SCS HONG KONG LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Notes	2025 HK$	2024 HK$
ASSETS			
Non-current assets			
Property, plant and equipment	9	--	--
Right-of-use assets	10	326,325	408,424
Deferred tax assets	11	--	251,115
Total non-current assets		326,325	659,539
Current assets			
Trade and other receivables	12	15,203,293	15,194,796
Cash and bank balances		1,857,416	1,481,028
Total current assets		17,060,709	16,675,824
Total assets		17,387,034	17,335,363
EQUITY AND LIABILITIES			
Equity attributable to equity holders			
Share capital	13	500,000	500,000
Retained profits		14,566,296	15,568,565
Total equity		15,066,296	16,068,565
Non-current liabilities			
Lease liabilities	14	87,344	--
Current liabilities			
Trade and other payables	15	1,981,424	833,217
Lease liabilities	14	251,970	433,581
Total current liabilities		2,233,394	1,266,798
Total liabilities		2,320,738	1,266,798
Total equity and liabilities		17,387,034	17,335,363

Approved by the board of directors
on 30 JUN 2025

James Christopher Payne
Director

Vittorio Marino Favati
Director

TVS SCS HONG KONG LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Share capital HK$	Retained profits HK$	Total HK$
At 1 April 2024	500,000	22,052,721	22,552,721
Total comprehensive income for the year	- -	(1,059,088)	(1,059,088)
Dividend paid	- -	(5,425,068)	(5,425,068)
At 31 March 2024 and 1 April 2024	500,000	15,568,565	16,068,565
Total comprehensive income for the year	- -	(1,002,269)	(1,002,269)
At 31 March 2025	500,000	14,566,296	15,066,296

TVS SCS HONG KONG LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 HK$	2024 HK$
Cash flows from operating activities			
Loss before tax		(751,154)	(1,310,203)
Adjustments for:			
Interest income		(7)	(10)
Loan interest income		- -	(225,851)
Depreciation of right-of-use assets		560,444	816,849
Interest expenses		19,562	41,142
Operating loss before working capital changes		(171,155)	(678,073)
(Increase)/decrease in trade and other receivables		(8,498)	7,345,234
Increase/(decrease) in trade and other payables		1,148,209	(381,459)
Net cash inflow from operating activities		968,556	6,285,702
Cash flows from investing activities			
Interest received		7	10
Loan interest received		- -	225,851
Net cash inflow from investing activities		7	225,861
Cash flows from financing activities			
Repayment of lease liabilities	16	(572,613)	(835,201)
Interest element of lease rentals paid		(19,562)	(41,142)
Dividend paid		- -	(5,425,068)
Net cash outflow from financing activities		(592,175)	(6,301,411)
Net increase in cash and cash equivalents		376,388	210,152
Cash and cash equivalents at beginning of year		1,481,028	1,270,876
Cash and cash equivalents at end of year, representing cash and bank balances		1,857,416	1,481,028

TVS SCS HONG KONG LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED TO 31 MARCH 2025

1. GENERAL INFORMATION

The company is a limited liability company incorporated and domiciled in Hong Kong. The address of its registered office is Unit 05, 8/F., Tower 3, Phase 1, Enterprise Square, 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong.

The principal activity of the company is providing freight forwarding agency services.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies were consistently applied during the year, unless otherwise stated.

2.1 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong, and the requirements of the Hong Kong Companies Ordinance (Cap 622).

The measurement basis used in preparing the financial statements is historical cost, except where otherwise stated in the accounting policies below.

(b) Impact of new and revised HKFRSs

(i) Standards, interpretations and amendments effective since 1 April 2024

In the current year, the company adopted all the new and revised HKFRSs that are relevant to its operations and effective for its accounting year beginning on 1 April 2024. The adoption of these new and revised HKFRSs did not result in significant changes to the company's accounting policies, presentation of the company's financial statements and amounts reported for the current year and prior years.

(ii) Impact of standards, amendments and interpretations yet to be adopted

Up to the date of approval of these financial statements, the HKICPA has issued a number of new/revised standards, amendments and new/revised interpretations, which are not yet effective and which have not been early adopted by the company for the year ended 31 March 2025. The directors are in the process of making an assessment and are not yet in a position to determine of what the impact of these new/revised standards, amendments and new/revised interpretations to the results and financial position of the company upon adoption.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost less aggregate depreciation and impairment losses, if any. The cost of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its present working condition and location for its intended use. Expenditure incurred after the asset has been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to profit or loss in the year in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the assets, the expenditure is capitalised as an additional cost of the assets. When assets are sold or retired, their cost and aggregate depreciation/impairment losses are eliminated from the accounts and any gain or loss resulting from their disposal is included in profit or loss.

Depreciation is provided to write off the cost less residual value of each property, plant and equipment on a straight-line basis over its expected useful life as follows:-

Furniture and equipment	- 3 years
Motor vehicles	- 3 years

2.3 Financial instruments

Financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Accordingly, financial assets are recognised if the company has a contractual right to receive cash or other financial assets from another entity. Financial liabilities are recognized if company has a contractual obligation to transfer cash or other financial assets to another entity.

(a) Financial assets carried at amortised cost

These are non-derivative financial assets that are held as part of a business model that aims to collect contractual cash flows and that additionally fulfill the cash flow condition, i.e. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets under this category are initially measured at fair value and subsequently at amortised cost using the effective interest method.

(b) Financial liabilities

Financial liabilities generally comprise non-derivative financial liabilities.

Non-derivative financial liabilities such as trade payables and other payables are initially measured at fair value and subsequently at amortised cost using the effective interest method.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.3 Financial instruments (Cont'd)

(c) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(d) Impairment of financial assets

The company performs impairment assessment under expected credit loss ("ECL") model on financial assets which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant financial assets. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment is done based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

Trade receivables

The company always recognizes lifetime ECL for trade receivables without significant financing component. The ECL on these assets is assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

Other financial assets

For all financial assets, the company measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the company recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

In assessing whether the credit risk of other financial assets has increased significantly since initial recognition, the company compares the risk of a default occurring on them as at the f reporting date with the risk of a default as at the date of initial recognition. In making this assessment, the company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.3 Financial instruments (Cont'd)

(d) Impairment of financial assets (cont'd)

Other financial assets (Cont'd)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- an actual or expected significant deterioration in the operation results of the debtors; and

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the company presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the company has reasonable and supportable information that demonstrates otherwise.

For internal credit risk management, the company considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the company, in full (without taking into account any collaterals held by the company).

Irrespective of the above, the company considers that default has occurred when a financial asset, other than trade receivables and contract assets, is more than 90 days past due unless the company has reasonable and supportable information to demonstrate that a more lagging default criterion is appropriate.

The company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. A write-off constitutes a de-recognition event. Any subsequent recoveries are recognised in profit or loss.

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and the cash flows that the company expects to receive, discounted at the effective interest rate determined at initial recognition.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.4 Impairment of non-financial assets

Internal and external sources of information are reviewed at each reporting date to identify indications that non-financial assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its net selling price and value in use. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An impairment loss is reversed if there has been a change in the estimates resulting in an increase of the recoverable amount. A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2.5 Leases

At inception of a contract, the company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

As a lessee

At the lease commencement date, the company recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the company enters into a lease in respect of a low-value asset, the company decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalized are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The lease liability is remeasured when there is a change in future lease payments arising from a change in interest rate, or there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the company will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.5 Leases (Cont'd)

The right-of-use asset recognised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses. Expected useful lives are determined by reference to comparable owned assets or the lease term, if shorter. Depreciation is provided to write off the cost over its expected lease term.

2.6 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in profit or loss by the company because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability of company for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

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 asset to be recovered.

2.7 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ("the functional currency"). The financial statements are presented in Hong Kong dollar ("HK$"), which is the company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions during the year are translated into Hong Kong dollars at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.8 Employee benefits

Short-term employee benefits including salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

2.9 Revenue and other income

Revenue is recognised when control over services is transferred to the customer, at the amount of promised consideration to which the company is expected to be entitled in exchange for those services. Revenue is net of trade discounts.

Revenue is recognised at a point in time when the customer obtains control of the distinct services. If control of the good or service is transferred over time, revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the company's performance as the company performs;
- the company's performance creates and enhances an asset that the customer controls as the company performs; or
- the company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date.

Revenue recognition policies of the company are as follows:

(a) Freight forwarding income is recognised overtime as the customer simultaneously receives and consumes the benefits provided by the company's performance as the company's performs. The company's recognises the service fee receivable based on an output method. There is generally only one performance obligation. Invoices are issued when service is provided.

The company considers itself as the principal in the contracts with customers as it controls the service before the service is transferred to a customer.

(b) Interest income is accrued on a time basis by reference to the principal outstanding and at the interest rate applicable.

(c) Management fee income is recharged on an accrual basis when the related corporate expenses are incurred.

2.10 Cash and cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.11 Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2.12 Related parties

A related party is:-

(a) A person or a close member of that person's family if that person:

(i) Has control or joint control over the company;
(ii) Has significant influence over the company; or
(iii) Is a member of key management personnel of the company or the company's holding company.

(b) An entity if any of the following conditions applies:

(i) The entity and the company are members of the same group.
(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
(iii) Both the company and the entity are joint ventures of the same third party.
(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
(v) The entity is a post-employment benefit plan for the benefit of the employees of the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company.
(vi) The entity is controlled or jointly controlled by a person identified in (a).
(vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of the holding company of the entity).
(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the company or to the holding company of the company.

3. FINANCIAL RISK MANAGEMENT AND POLICIES

Categories of financial instruments

	2025 HK$	2024 HK$
Financial assets at amortised cost:		
Trade receivables	912,555	416,720
Other receivables	1,104,496	1,009,580
Amount due by group companies	780,296	259,606
Amount due from intermediate holding company	438,113	397,543
Amount due from immediate holding company	11,967,833	13,111,347
Cash and bank balances	1,857,416	1,481,028
	17,060,709	16,675,824
Financial liabilities at amortised cost:		
Trade and other payables	1,981,425	833,217
Lease liabilities	339,314	433,581
	2,320,739	1,266,798

The risks associated with the above financial instruments include credit risk, foreign currency risk and liquidity risk, which are closely monitored by the directors.

The company's overall risk management programme focuses on the unpredictability and volatility of financial markets and seeks to minimize potential adverse effects on these risks.

3. FINANCIAL RISK MANAGEMENT AND POLICIES (Cont'd)

(a) Credit risk

Credit risk refers to the risk that the company's counterparties default on their contractual obligations resulting in financial losses to the company.

In order to minimise credit risk, the management has a credit policy in place and the exposure to these credit risks is monitored on an ongoing basis. Credit evaluations of the counterparties' financial positions and conditions are performed on each and every major debtor periodically.

The company does not hold any collateral or other credit enhancement to cover its credit risk associated with the above financial assets.

The following tables below detail the credit risk exposure of the company's financial assets which are subject to ECL assessment:

	Note to the financial statement		2025 HK$	2024 HK$
Trade receivables	12	Lifetime ECL	912,555	416,720
Other receivables	12	12m ECL	1,104,496	1,009,580
Amount due from group companies	12	12m ECL	780,296	259,606
Amount due from intermediate holding companies	12	12m ECL	438,113	397,543
Amount due from immediate holding company	12	12m ECL	11,967,833	13,111,347
Cash and bank balances		12m ECL	1,857,416	1,481,028
			17,060,709	16,675,824

The credit risk of cash at bank is limited because the counterparties are banks with high credit ratings and quality.

Details of ECL assessment on the other company's financial assets is set out in the note 12 to the financial statements.

3. FINANCIAL RISK MANAGEMENT AND POLICIES (Cont'd)

(b) Foreign currency risk

The company is exposed to foreign currency risk in respect of transactions denominated in foreign currencies. The following table summarises the company's exposure to foreign currency risk at the end of the reporting period arising from major assets/(liabilities) denominated in foreign currencies:-

	2025			2024		
	US$	**SGD**	**EUR**	**US$**	**SGD**	**EUR**
Trade and other receivables	2,136,558	169,088	170,000	2,455,327	68,536	--
Cash and bank balances	68,629	845	--	68,630	845	--
Trade and other payables	(2,446)	(141,646)	(7,491)	(10,966)	(9,456)	--
Net exposure	2,202,741	28,287	162,509	2,512,991	59,925	--

The following table indicates the approximate change in the company's profit or loss and equity in response to a reasonably possible change in the foreign exchange rate of foreign currencies on the above assets and liabilities at the end of the reporting period:-

	2025		2024	
	Increase/ (decrease) in foreign exchange rate by	**Increase/ (decrease) in profit or loss and retained profits HK$**	**Increase/ (decrease) in foreign exchange rate by**	**Increase/ (decrease) in profit or loss and retained profits HK$**
United States dollar	1%	171,361	1%	196,629
United States dollar	(1%)	(171,361)	(1%)	(196,629)
Singapore dollar	5%	8,195	5%	17,380
Singapore dollar	(5%)	(8,195)	(5%)	(17,380)
Euro dollar	1%	13,398	--	--
Euro dollar	(1%)	(13,398)	--	--

The sensitivity analysis has been determined on the assumption that changes in the foreign exchange rates occurred at the end of the reporting period and that all other variables, in particular interest rates, remained constant. The changes represent management's assessment of a reasonably possible change in the foreign exchange rates over the period until the end of the next annual reporting period. The analysis is performed on the same basis for 2024.

3. FINANCIAL RISK MANAGEMENT AND POLICIES (Cont'd)

(c) Liquidity risk

The company exercises prudent liquidity and cash flow risk management policies and aims at maintaining sufficient liquidity and cash flow at all times. The following table indicates the remaining contractual maturities of the financial liabilities of the company at cash flows and the earliest date of repayments.

2025	Carrying value HK$	Total contractual undiscounted cash flow HK$	Repayable within 1 year or on demand HK$	Repayable within 2 to 5 years HK$
Trade and other payables	1,981,424	1,981,424	1,981,424	--
Lease liabilities	339,314	352,000	264,000	88,000
	2,320,738	2,333,424	2,245,424	88,000

2024	Carrying value HK$	Total contractual undiscounted cash flow HK$	Repayable within 1 year or on demand HK$	Repayable within 2 to 5 years HK$
Trade and other payables	833,217	833,217	833,217	--
Lease liabilities	433,581	438,174	438,174	--
	1,266,798	1,271,391	1,271,391	--

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The presentation of financial statements in conforming with HKFRS requires the use of certain critical accounting estimates and judgements in applying the accounting policies. These estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following are the significant accounting estimates and assumptions and judgements in applying the company's accounting policies for preparation of the financial statements.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Provision for expected credit losses of trade receivables

The company uses a provision matrix to calculate ECL on trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (and/or geographic locations).

The provision matrix is initially based on the company's historical observed default rates. The company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information such as forecast economic conditions. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. Where the final outcome is different from the directors' judgements, allowances for ECLs have to be adjusted which will have impact on profit or loss in future years.

5. REVENUE AND OTHER INCOME

	2025 HK$	2024 HK$
Revenue		
Freight forwarding agency service income recognized overtime	17,542,550	12,497,782
Other income		
Bank interest income	7	10
Loan interest income	- -	225,851
Sundry income	51,646	15,028
	51,653	240,889
	17,594,203	12,738,671

6. LOSS BEFORE TAX

	2025 HK$	2024 HK$
Loss before tax is stated after charging:-		
Depreciation of right-of-use assets	560,444	816,849
Interest on lease liabilities	19,562	41,147
Loss on exchange	254,973	115,388
Staff costs, including directors' remuneration and expense on defined contribution scheme of HK$79,662 (2024: HK$101,941)	2,562,774	2,888,587

7. REMUNERATION AND OTHER INFORMATION ABOUT BENEFITS OF DIRECTORS

(a) Remuneration

Remuneration of the company's directors disclosed pursuant to section 383 of the Companies Ordinance (Cap 622) and the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap 622G) is HK$Nil (2024: HK$Nil).

The key management personnel of the company are all the directors.

(b) Directors' interests in contracts, transactions and arrangements

Except for the related party transactions disclosed in note 17 to the financial statements, no other contract, transaction, and arrangement of significance in relation to the company's business in which the company was a party, and in which the director of the company had a material interest, whether directly or indirectly, subsisted at end of the year of at any time during the year.

8. INCOME TAX

	Note	2025 HK$	2024 HK$
Current tax for the year		--	--
Deferred tax	11	251,115	(251,115)
		251,115	(251,115)

Provision for Hong Kong Profits Tax is not required as the company sustained a taxation loss during the year.

8. **INCOME TAX (Cont'd)**

Reconciliation between income tax and accounting loss at applicable tax rate

	2025 HK$	2024 HK$
Loss before tax	(751,154)	(1,310,203)
Notional income tax on loss before tax, calculated at Hong Kong Profits Tax rate of 8.25% (2024: 8.25%)	(61,970)	(108,091)
Tax effect of non-taxable income	(1)	(18,633)
Tax effect of deductible temporary differences not recognised/ (utilization of unrecognized tax losses)	61,971	(88,391)
Income tax credit	- -	(215,115)

Under the two-tiered profits tax rates regime in Hong Kong, the applicable tax rate is determined to be 8.25% (2024: 8.25%) for the purpose of the above reconciliation.

At 31 March 2025, the company had unused taxation loss of HK$8,540,677 (2024: HK$7,770,475) available for offset against future profits.

Pillar Two Income Tax

The Organization for Economic Co-operation and Development ("OECD") has introduced a global minimum tax framework under Pillar 2, aimed at addressing base erosion and profit shifting ("BEPS"). This framework establishes a minimum effective tax rate ("ETR") of 15% for multinational enterprise ("MNE") groups with annual consolidated revenue exceeding EUR 750 million. Hong Kong, as a major international financial centre, has indicated its commitment to implementing Pillar 2 regulations in alignment with the OECD's Inclusive Framework. The HKSAR Government has not yet enacted the legislation on the Pillar 2, the bill of which is expected to be introduced in Hong Kong in 2025.

The directors would monitor development of the Pillar 2 legislation to assess potential effects, if any, on the company's financial reporting.

9. PROPERTY, PLANT AND EQUIPMENT

	Furniture and equipment HK$
Cost	
At 31 March 2024 and 1 April 2024	1,252,791
Disposals	(865,150)
At 31 March 2025	387,641
Accumulated depreciation	
At 31 March 2024 and 1 April 2024	1,252,791
Disposals	(865,150)
At 31 March 2025	387,641
Net book value	
At 31 March 2025	- -
At 31 March 2024	- -

10. RIGHT-OF-USE ASSETS

	Office premises	
	2025 HK$	2024 HK$
Cost		
At beginning of year	2,446,084	2,446,084
Additions	478,345	- -
Disposals	(2,446,084)	- -
At end of year	478,345	2,446,084
Accumulated depreciation		
At beginning of year	2,037,660	1,220,811
Charge for the year	560,444	816,849
Eliminated on disposals	(2,446,084)	- -
At end of year	(152,020)	(2,037,660)
Net book value	326,325	408,424

The company has obtained the office premises through lease agreement. The term of the lease is 2 years.

11. DEFERRED TAX ASSETS

The component of deferred tax assets recognised in the statement of financial position and its movement are as follows:-

	Tax losses	
	2025	2024
	HK$	HK$
At beginning of the year	251,115	--
(Charged)/credited for the year	(251,115)	251,115
At end of the year	--	251,115

12. TRADE AND OTHER RECEIVABLES

	2025	2024
	HK$	HK$
Trade receivables	7,431,672	6,935,837
Allowance for expected credit losses	(6,519,117)	(6,519,117)
Trade receivables, net of loss allowance	912,555	416,720
Amount due from group companies	780,296	259,606
Amount due from intermediate holding company	438,113	397,543
Amount due from immediate holding company	11,967,833	13,111,347
Other receivables	1,104,496	1,009,580
	15,203,293	15,194,796

The company has concentration of credit risk with exposure limited to certain trade debtors. At 31 March 2025, there was 1 debtor (2024: 1 debtor) having individual balance exceeding 10% of the total balance of the trade receivables.

ECL in respect of trade receivables is recorded using an allowance account. When specific debtors are being identified as credit impaired with no repayment possibility, the debts would be written off against the allowance account. Movements of the allowance account during the year were:-

	2025	2024
	HK$	HK$
At beginning and end of the year	6,519,117	6,519,117

12. TRADE AND OTHER RECEIVABLES (Cont'd)

The following is the aging analysis of trade receivables (net of loss allowance) at the reporting date:-

	2025 HK$	2024 HK$
0 - 30 days	343,383	380,902
30 - 90 days	206,277	35,818
Over 90 days	362,895	- -
	912,555	416,720

The company applied the simplified approach to provide for ECL prescribed by HKFRS 9, which permits the use of the lifetime ECL provision for all trade receivables. To measure the ECL, trade receivables, except those requiring individual assessment, were grouped based on shared credit risk characteristics. The company performed historical analysis and identified the key economic variables impacting credit risk and ECL based on reasonable and supportive forwarding-looking information available without undue cost or effort.

The credit period granted to customers is generally 30 days. At 31 March 2025, trade debts in the aggregate of HK$569,172 (2024: HK$35,818) were past due over 30 days or more. The directors did not consider these debts as in default since all the debtors had good repayment in the past and there has been no significant change in credit quality of the debts.

Except for debtors specifically assessed, expected loss rates on group basis are based on actual loss experience over the past 2 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the company's view of economic conditions over the expected lives of the receivables. The adjusted ECL rates for 2025 and 2024 are 0.5% and 1%.

The directors made periodic individual assessment on the recoverability of amounts due from group companies, immediate holding company, and other receivables based on historical settlement history, past experience, and reasonable and supportive forward-looking information that was available at the reporting date. The directors believed that there was no significant increase in credit risk of these amounts since initial recognition. The amount of ECL on other receivables was considered insignificant and no loss allowance was recognised.

Amounts due from group companies, intermediate holding company and immediate holding company are unsecured, interest free and repayable on demand.

13. SHARE CAPITAL

	2025 HK$	2024 HK$
Issued and fully paid		
500,000 ordinary shares	500,000	500,000

The company's primary objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide the maximum returns for the sole shareholder and to maintain an optimal capital structure.

14. LEASE LIABILITIES

	2025 HK$	2024 HK$
Lease payments -		
Within one year	264,000	438,174
Within two to five years	88,000	- -
	352,000	438,174
Future interest expense	(12,686)	(4,593)
	339,314	433,581

Classification in the statement of financial position:-

	2025 HK$	2024 HK$
Non-current liabilities	87,344	- -
Current liabilities	251,970	433,581
	339,314	433,581

15. TRADE AND OTHER PAYABLES

	2025 HK$	2024 HK$
Trade payables	920,873	515,194
Amount due to group companies	159,474	18,116
Amount due to immediate holding company	84,892	134,389
Amount due to intermediate holding company	601,395	- -
Accrued expenses and other payables	214,790	165,518
	1,981,424	833,217

Amounts due to group companies and immediate holding company are unsecured, interest free and repayable on demand.

16. RECONCILIATION OF CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Lease liabilities	
	2025	2024
	HK$	HK$
At beginning of year	433,581	1,268,782
Additions	478,346	- -
Changes from financing cash flows	(572,613)	(835,201)
At end of year	339,314	433,581

17. RELATED PARTY TRANSACTIONS

During the year, the company had in the ordinary course of business the following material related party transactions:-

	2025	2024
	HK$	HK$
Intermediate holding company		
Management fee expense	444,585	398,960
Repairs and maintenance	130,418	95,153
Immediate holding company		
Freight forwarding agency service income	2,737,363	1,767,526
Direct freight and handling charges	31,293	1,638,622
Repairs and maintenance	177,454	189,954
Group companies		
Freight forwarding agency service income	9,660,605	4,919,966
Direct freight and handling charges	399,233	987,605

18. IMMEDIATE AND ULTIMATE HOLDING COMPANIES

The immediate holding company is TVS SCS Singapore Pte Limited, a company incorporated in Singapore. The directors consider the ultimate holding company to be TVS Supply Chain Solutions Limited, a company incorporated in India.

Pan Asia Container Line Pte Ltd, Hong Kong

For the period
ended 30.09.2024

Independent Auditors' Report to the Sole Shareholder of

PAN ASIA CONTAINER LINE PTE LIMITED
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of Pan Asia Container Line Pte Limited set out on pages 6 to 17 which comprise the statement of financial position as at 30 September 2024 (date of cessation), and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period from 1 April 2024 to 30 September 2024 (date of cessation), and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the company as at 30 September 2024 (date of cessation), and of its financial performance and its cash flows for the period then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance Cap 622.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The directors are responsible for the other information. The other information comprises all the information included in the directors' report, other than the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditors' Report to the Sole Shareholder of

PAN ASIA CONTAINER LINE PTE LIMITED
(Incorporated in Hong Kong with limited liability)

Responsibilities of directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance Cap 622, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. This report is made solely to you in accordance with section 405 of the Hong Kong Companies Ordinance Cap 622, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditors' Report to the Sole Shareholder of

PAN ASIA CONTAINER LINE PTE LIMITED
(Incorporated in Hong Kong with limited liability)

Auditors' responsibilities for the audit of the financial statements (Cont'd)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control, if any, that we identify during our audit.

Wong Brothers CPA Limited
Certified Public Accountants (Practising)

Wong Wai Pui
Practising Certificate Number: P02704

Hong Kong, 4 FEB 2025

PAN ASIA CONTAINER LINE PTE LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024 (DATE OF CESSATION)

	Note	Period from 1.4.2024 to 30.9.2024 US$	Year ended 31.3.2024 US$
Revenue		- -	- -
Other income		- -	52,323
Administrative expenses		(2,600)	(6,396)
Write-off of amount due from immediate holding company		(83,291)	- -
(Loss)/profit before taxation		(85,891)	45,927
Income tax expense	5	- -	- -
(Loss)/profit for the year		(85,891)	45,927
Other comprehensive income		- -	- -
Total comprehensive income for the year		(85,891)	45,927

PAN ASIA CONTAINER LINE PTE LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024
(DATE OF CESSATION)

	Note	As at 30.9.2024 US$	As at 31.3.2024 US$
ASSETS			
Current assets			
Amount due from immediate holding company	6	101,898	83,291
Cash at bank		- -	101,898
Total assets		101,898	185,189
EQUITY AND LIABILITIES			
Equity attributable to equity holders			
Share capital	7	64,347	64,347
Retained profits		30,693	116,584
Total equity		95,040	180,931
Current liabilities			
Accrued expenses		6,858	4,258
Total current liabilities		6,858	4,258
Total equity and liabilities		101,898	185,189

Approved by the board of directors
on 4 FEB 2025

James Christopher Payne
Director

Vittorio Marino Favati
Director

PAN ASIA CONTAINER LINE PTE LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024 (DATE OF CESSATION)

	Share capital US$	Retained profits US$	Total US$
At 1 April 2023	64,347	1,950,657	2,015,004
Total comprehensive income for the year	- -	45,927	45,927
Dividend paid	- -	(1,880,000)	(1,880,000)
At 31 March 2024 and 1 April 2024	64,347	116,584	180,931
Total comprehensive income for the year	- -	(85,891)	(85,891)
At 30 September 2024	64,347	30,693	95,040

PAN ASIA CONTAINER LINE PTE LIMITED

STATEMENT OF CASH FLOWS

FOR THE PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024
(DATE OF CESSATION)

	Period from 1.4.2024 to 30.9.2024 US$	Year ended 31.3.2024 US$
Cash flows from operating activities		
(Loss)/profit before taxation	(85,891)	45,927
(Increase)/decrease in amount due from immediate holding company	(18,607)	2,197,925
Decrease in amount due to immediate holding company	- -	(299,572)
Decrease in amount due from fellow subsidiaries	- -	36,460
Increase in accrued expenses	2,600	1,158
Net cash (outflow)/inflow from operating activities	(101,898)	1,981,898
Cash flows from financing activities		
Dividend paid	- -	(1,880,000)
Net cash outflow from financing activities	- -	(1,880,000)
Net (decrease)/increase in cash and cash equivalents	(101,898)	101,898
Cash and cash equivalents at beginning of year	101,898	- -
Cash and cash equivalents at end of year, representing cash at bank	- -	101,898

PAN ASIA CONTAINER LINE PTE LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 APRIL 2024 TO 30 SEPTEMBER 2024 (DATE OF CESSATION)

1. GENERAL INFORMATION

The company is a limited liability company incorporated and domiciled in Hong Kong. The address of its registered office is Units 1403 & 05, 14/F., Tower 2, Ever Gain Plaza, No. 88 Container Port Road, Kwai Chung, New Territories, Hong Kong.

The company was inactive throughout the period. The company ceased its business on 30 September 2024.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies were consistently applied during the period, unless otherwise stated.

2.1 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong, and the requirements of the Hong Kong Companies Ordinance (Cap 622).

The measurement basis used in preparing the financial statements is historical cost, except where otherwise stated in the accounting policies below.

(b) Impact of new and revised HKFRS

Standards, interpretations and amendments effective since 1 April 2024

In the current period, the company adopted all the new and revised HKFRSs that are relevant to its operations and effective for its accounting year beginning on 1 April 2024. The adoption of these new and revised HKFRs did not result in significant changes to the Company's accounting policies, presentation of the Company's financial statements and amounts reported for the current period and period years.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.2 Financial instruments

Financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Accordingly, financial assets are recognised if the company has a contractual right to receive cash or other financial assets from another entity. Financial liabilities are recognized if company has a contractual obligation to transfer cash or other financial assets to another entity.

(a) Financial assets carried at amortised cost

These are non-derivative financial assets that are held as part of a business model that aims to collect contractual cash flows and that additionally fulfill the cash flow condition, i.e. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets under this category include amount due from immediate holding company and amount due by group company. They are initially measured at fair value and subsequently at amortised cost using the effective interest method.

(b) Financial liabilities

Financial liabilities generally comprise non-derivative financial liabilities.

Non-derivative financial liabilities such as accrued expenses are initially measured at fair value and subsequently at amortised cost using the effective interest method.

(c) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(d) Impairment of financial assets

The company performs impairment assessment under expected credit loss ("ECL") model on financial assets which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant financial assets. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment is done based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.2 Financial instruments (Cont'd)

(d) Impairment of financial assets (Cont'd)

The company measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the company recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

In assessing whether the credit risk of other financial assets has increased significantly since initial recognition, the company compares the risk of a default occurring on them as at the reporting date with the risk of a default as at the date of initial recognition. In making this assessment, the company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- an actual or expected significant deterioration in the operating results of the debtor; and

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the company presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the company has reasonable and supportable information that demonstrates otherwise.

For internal credit risk management, the company considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the company, in full (without taking into account any collaterals held by the company).

Irrespective of the above, the company considers that default has occurred when a financial asset, other than trade receivables and contract assets, is more than 90 days past due unless the company has reasonable and supportable information to demonstrate that a more lagging default criterion is appropriate.

The company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. A write-off constitutes a de-recognition event. Any subsequent recoveries are recognised in profit or loss.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.3 Income tax

Income tax represents the sum of current income tax and deferred tax.

Current income tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability of the company for current tax is calculated using tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ("the functional currency"). The financial statements are presented in United States dollar ("US$"), which is the company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions during the year are translated into United States dollars at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into United States dollars at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates.

2.5 Revenue recognition

Revenue is recognised at the amount of promised consideration to which the company is expected to be entitled in exchange for those goods or services and net of trade discounts, if any.

Interest income is recognised as it is accrued on a time basis by reference to the principal outstanding and at the interest rate applicable.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.6 Cash and cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2.7 Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the company has a legal or constructive obligation arising as result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated realiably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2.8 Related parties

A related party is:-

(a) A person or a close member of that person's family if that person:

  (i) Has control or joint control over the company;
  (ii) Has significant influence over the company; or
  (iii) Is a member of key management personnel of the company or the company's holding company.

(b) An entity if any of the following conditions applies:

  (i) The entity and the company are members of the same group.
  (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  (iii) Both the company and the entity are joint ventures of the same third party.
  (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  (v) The entity is a post-employment benefit plan for the benefit of the employees of the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company.
  (vi) The entity is controlled or jointly controlled by a person identified in (a).
  (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of the holding company of the entity).
  (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the company or to the holding company of the company.

3. FINANCIAL RISK MANAGEMENT ND POLICIES

(a) Categories of financial instruments

	As at 30.9.2024 US$	As at 31.3.2024 US$
Financial asset at amortised cost:		
Amount due from immediate holding company	101,898	83,291
Financial liability at amortised cost:		
Accrued expenses	101,898	4,258

(b) Financial risk factors

The company's activities are mainly exposed to credit risk and liquidity risk. Its overall risk management programme focuses on the unpredictability and volatility of financial markets and seeks to minimize potential adverse effects on these risks. No derivative financial instruments are used to hedge any exposures of these risks.

(c) Credit risk

Credit risk refers to the risk that the company's counterparties default on their contractual obligations resulting in financial losses to the company.

In order to minimise credit risk, the management has a credit policy in place and the exposure to these credit risks is monitored on an ongoing basis. Credit evaluations of the counterparties' financial positions and conditions are performed on each and every major debtor periodically.

The company does not hold any collateral or other credit enhancement to cover its credit risk associated with the above financial assets.

The following tables below detail the credit risk exposure of the company's financial assets which are subject to ECL assessment:

	Note to the financial statement		As at 30.9.2024 US$	As at 31.3.2024 US$
Amount due from immediate holding company	6	12m ECL	101,898	83,291

Details of ECL assessment on the amounts due from immediate holding company are set out in the note 6 to the financial statements.

3. FINANCIAL RISK MANAGEMENT ND POLICIES (Cont'd)

(d) Liquidity risk

The company exercises prudent liquidity and cash flow risk management policies and aims at maintaining sufficient liquidity and cash flows at all times. The following table indicates the remaining contractual maturities of the financial liabilities of the company at the end of the reporting period. The amounts of repayments are based on undiscounted cash flows and the earliest date of repayments.

	As at 30.9.2024			As at 31.3.2024		
	Carrying value US$	Total contractual undiscounted cash flow US$	Repayable within 1 year or on demand US$	Carrying value US$	Total contractual undiscounted cash flow US$	Repayable within 1 year or on demand US$
Accrued expenses	6,858	6,858	6,858	4,258	4,258	4,258

4. REMUNERATION AND OTHER INFORMATION ABOUT BENEFITS OF DIRECTORS

(a) Remuneration

Remuneration of the company's directors disclosed pursuant to section 383 of the Companies Ordinance (Cap 622) and the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap 622G) is US$Nil (Year ended 31 March 2024: US$Nil).

The key management personnel of the company are all the directors.

(b) Directors' interests in contracts, transactions and arrangements

No contract, transaction, and arrangement of significance in relation to the company's business in which the company was a party, and in which the director of the company had a material interest, whether directly or indirectly, subsisted at end of the period of at any time during the period.

5. INCOME TAX EXPENSE

Hong Kong Profits Tax is not recognised as the company has no assessable income for the year.

Reconciliation between income tax expense and accounting (loss)/profit at applicable tax rate

	Period from 1.4.2024 to 30.9.2024 US$	Year ended 31.3.2024 US$
(Loss)/profit before taxation	(85,891)	40,871
Notional income tax credit calculated at Hong Kong Profits Tax rate of 16.5% (2023: 16.5%)	(14,172)	6,743
Tax effect of non-deductible expenses	14,172	(6,743)
Income tax expense	- -	- -

6. AMOUNT DUE FROM IMMEDIATE HOLDING COMPANY

Amounts due from immediate holding company are unsecured, interest free and repayable on demand.

The directors made periodic individual assessment on the recoverability of amount due from immediate holding company based on historical settlement history, past experience, and reasonable and supportive forward-looking information that was available at the reporting date. The directors believed that there was no significant increase in credit risk of the receivable since initial recognition. The amount of ECL on amount due from immediate holding company was considered insignificant and no loss allowance was recognised.

7. SHARE CAPITAL

	As at 30.9.2024 US$	As at 31.3.2024 US$
Issued and fully paid		
500,000 ordinary shares	64,347	64,347

8. IMMEDIATE AND ULTIMATE HOLDING COMPANIES

The immediate holding company is TVS SCS Singapore Pte Limited, a company incorporated in Singapore. The directors consider the ultimate holding company to be TVS Supply Chain Solutions Limited, a company incorporated in India.

TVS SCS Malaysia Sdn Bhd

FY 2024-25

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TVS SCS MALAYSIA SDN BHD
(Company No.: 200501034953 (717097-W))
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TVS SCS Malaysia Sdn Bhd which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 10 to 39.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2025 and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Material Uncertainty Related to Going Concern:

We draw attention to Note 3.1 in the financial statements, despite that the Company generate a net profits of RM 5,842,590 during the financial year ended 31 March 2025 and, as of that date the Company's current liabilities exceeded its current assets by RM 24,892,956. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Company 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 the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

YEE CHOON KONG & CO PLT
Registration No.: 202006000001 (LLP0022758-LCA)
AF: 0890
Chartered Accountants

CHUNG CHEE HOE
02651/07/ 2026 J
Chartered Accountant

KUALA LUMPUR

DATED:

TVS SCS MALAYSIA SDN BHD
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	2025 RM	2024 RM
NON-CURRENT ASSET			
Property, plant and equipment	5	95,322	124,369
CURRENT ASSETS			
Trade receivables	6	12,392,743	2,519,071
Other receivables, deposits and prepayments	7	4,599,647	583,410
Amount owing by related companies	8	3,626,383	150,317
Tax recoverable		482,993	477,944
Cash and cash equivalents	9	687,470	1,563,108
		21,789,236	5,293,850
CURRENT LIABILITIES			
Trade payables	10	2,158,742	777,086
Other payables and accruals	11	2,054,151	602,391
Amount owing to holding companies	12	40,194,942	34,243,774
Amount owing to related companies	8	2,274,357	435,192
		46,682,192	36,058,443
NET CURRENT LIABILITIES		(24,892,956)	(30,764,593)
		(24,797,634)	(30,640,224)
FINANCED BY:			
CAPITAL AND RESERVES			
Share capital	13	500,000	500,000
Accumulated losses		(25,297,634)	(31,140,224)
CAPITAL DEFICIENCY		(24,797,634)	(30,640,224)

The accompanying notes form an integral part of the financial statements.

TVS SCS MALAYSIA SDN BHD
(Incorporated in Malaysia)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 RM	2024 RM
Revenue	14	62,683,504	15,156,345
Cost of sales		(55,715,162)	(12,339,100)
Gross profit		6,968,342	2,817,245
Other income		1,930,228	63,935
Administration expenses		(2,780,951)	(5,055,533)
Profit/(loss) from operations		6,117,619	(2,174,353)
Finance costs		(275,029)	(408,254)
Profit/(loss) before tax	15	5,842,590	(2,582,607)
Income tax expense	16	-	2,435
Profit/(loss) for the year		5,842,590	(2,580,172)
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year		5,842,590	(2,580,172)

Company No.: 200501034953 (717097-W)

TVS SCS MALAYSIA SDN BHD
(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Share capital RM	Accumulated losses RM	Total RM
As at 1 April 2023	500,000	(28,560,052)	(28,060,052)
Total comprehensive income for the year	-	(2,580,172)	(2,580,172)
As at 31 March 2024	500,000	(31,140,224)	(30,640,224)
Total comprehensive income for the year	-	5,842,590	5,842,590
As at 31 March 2025	500,000	(25,297,634)	(24,797,634)

The accompanying notes form an integral part of the financial statements.

TVS SCS MALAYSIA SDN BHD
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	2025 RM	2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	5,842,590	(2,582,607)
Adjustments for:		
Depreciation of property, plant and equipment	55,347	62,184
Allowance for doubtful debt-specific no longer required	-	(60,658)
Gain on disposal of property, plant and equipment	-	(158)
Operating profit/(loss) before working capital changes	5,897,937	(2,581,239)
(Increase)/decrease in receivables	(13,889,909)	2,399,795
Increase/(decrease) in payables	2,833,416	(448,844)
Cash used in operations	(5,158,556)	(630,288)
Tax paid	(5,049)	(6,492)
Tax refund	-	155,040
Net cash used in operating activities	(5,163,605)	(481,740)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(26,300)	(18,750)
Proceeds from disposal of property, plant and equipment	-	781
Net cash used in investing activities	(26,300)	(17,969)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment to) Advance from related companies	(1,636,901)	24,435
Advance from holding company	5,951,168	(2,204,146)
Net cash from/(used in) financing activities	4,314,267	(2,179,711)
Net decrease in cash and cash equivalents	(875,638)	(2,679,420)
Cash and cash equivalents at beginning of the year	1,563,108	4,242,528
Cash and cash equivalents at end of the year	687,470	1,563,108
Cash and cash equivalents comprise:		
Cash and bank balances	687,470	1,563,108

The accompanying notes form an integral part of the financial statements.

TVS SCS MALAYSIA SDN BHD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

1 GENERAL INFORMATION

The Company is a private limited company incorporated and domiciled in Malaysia.

The registered office is located at 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The principal place of business is located at A-3A-02, Level 3A, Empire Tower Office, Empire Subang, Jalan SS16/1, 47500 Subang Jaya, Selangor.

The principal activities of the Company are that of freight forwarder and shipping agent and provision of warehouse storage.

The Company is a wholly owned subsidiary of TVS SCS Singapore Pte. Ltd. a company incorporated in Singapore. The directors regard the penultimate holding and ultimate holding are TVS Supply Chain Solutions Pte. Ltd., a company incorporated in Singapore, and TVS Supply Chain Solutions Limited, a company incorporated in India respectively.

The financial statements of the Company are presented in the functional currency, which is the currency of the primary economic environment in which the entity operates. The functional currency of the Company is Ringgit Malaysia as the sales and purchases are mainly denominated in Ringgit Malaysia and receipts from operations are usually retained in Ringgit Malaysia and funds from financing activities are generated in Ringgit Malaysia.

2 STATEMENT OF COMPLIANCE

Basis of Preparation

The financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act, 2016.

2.1 CHANGES IN ACCOUNTING POLICIES AND EFFECTS ARISING FROM ADOPTION OF NEW AND REVISED STANDARDS AND AMENDMENTS

The accounting policies adopted by the Institute is consistent with those adopted in the previous financial year, except for the adoption of the following new, revised MFRSs and amendments which are effective for annual period beginning on or after 1 April 2024.

Description	Effective Date
Amendments to MFRS 101: Presentation of Financial Statements – Non-current Liabilities with Covenant	1 January 2024
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 7 Financial Instruments and MFRS 107 Statement of Cash Flows - Disclosures: Supplier Finance Arrangements	1 January 2024

2.2 STANDARDS AND AMENDMENTS ISSUED BUT NOT YET EFFECTIVE

At the date of authorisation for issue of the financial statements, the new and revised Standards and Amendments issued but not yet effective and not early adopted by the Institute is as listed below:

Description	Effective Date
Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026
Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture	Deferred

Adoption of the above new MFRS's, Amendments to MFRSs and Annual Improvements to MFRS's is not expected to have any material effect on the financial performance or position of the Company.

3 MATERIAL ACCOUNTING INFORMATION

3.1 GOING CONCERN BASIS

The financial statements of the Company have been prepared under historical cost convention except otherwise stated in the financial statement.

As at financial year ended 31 March 2025 the Company generated profits operations. However, the accumulated loss of the Company is in excess of its paid -up capital as at that date. For the Company to continue as a going concern the Company will need to achieved profitable operations and require additional financing and or equity in order to continue with its business operations, meet its ongoing levels of overheads and discharge it liabilities as they come due.

3.2 PROPERTY, PLANT AND EQUIPMENT

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Purchase software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of the asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated as it has an infinite life. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:-

Air conditioners	25%
Computers	33%
Furniture & fittings	14.29%
Office equipment	14.29%
Renovation	14.29%
Signboard	14.29%

Telephone instruments	14.29%
Warehouse equipment	10%

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period, and adjusted as appropriate.

3.3 IMPAIRMENT OF ASSETS, OTHER THAN INVENTORIES AND FINANCIAL ASSETS

The carrying amounts of items of property, plant and equipment are derecognised on disposal of when no future economic benefits are expected from their use or disposal. Any gain or loss arising from the derecognition of items of property, plant and equipment, determines as the difference between the net disposal proceeds, if any, and the carrying amounts of the items, is recognised in profit or loss. Neither the sale proceeds nor any gain on disposal is classified as revenue.

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated.

When there is an indication that an asset may be impaired but it is not possible to estimate the recoverable amount of the individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount of an asset and a cash-generating unit is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or a cash-generating unit is less than the carrying amount, an impairment loss is recognised to reduce the carrying amount to its recoverable amount. An impairment loss for a cash-generating unit is firstly allocated to reduce the carrying amount of any goodwill allocated to the cash-generating unit, and then, to the other non-current assets of the unit pro rata on the basis of the carrying amount of each appropriate asset in the cash-generating unit. Impairment loss is recognised immediately in profit or loss, unless the asset is carried at a revalued amount, in which case it is treated as a revaluation decrease.

The recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell, value in use and zero.

An impairment loss recognised in prior periods for an asset or the appropriate assets of a cash-generating unit is reversed when there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss, unless the asset is carried at revalued amount, in which case it is treated as a revaluation increase.

3.4 FOREIGN CURRENCY

i) Foreign Currency Transactions

Transactions in foreign currencies are initially translated at the exchange rate at the dates of the transactions.

At the reporting date, foreign currency monetary assets and liabilities are translated into Ringgit Malaysia at the exchange rate ruling at that date. Exchange differences arising on the settlement or translation of monetary items are recognised in profit or loss.

Non-monetary assets and liabilities measured at historical cost in a foreign currency are translated using exchange rates at the date of the transactions. Non-monetary assets and liabilities measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined.

3.5 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the statements of financial position when the Company has become a party to the contractual provisions of the instruments.

Financial instruments are classified as financial assets, liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definitions in MFRS 132. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially at its fair value (other than trade receivables without significant financing component which are measured at transaction price as defined in MFRS 15 — Revenue from Contracts with Customers at inception). Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

i) **Financial Assets**

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value (through profit or loss, or other comprehensive income), depending on the classification of the financial assets.

Debt Instruments

a) Amortised Cost

The financial asset is held for collection of contractual cash Bows where those cash flows represent solely payments of principal and interest. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The

effective interest rate is the rate that discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), excluding expected credit losses, through the expected life of the financial asset or a shorter period (where appropriate)

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b) Fair Value through Other Comprehensive Income

The financial asset is held for both collecting contractual cash flows and selling the financial asset, where the asset's cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference which are recognised directly in profit or loss. Interest income is calculated using the effective interest rate method.

c) Fair Value through Profit or Loss

All other financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss.

The Company reclassifies debt instruments when and only when its business model %or managing those assets change, if any.

Equity Instruments

All equity investments are subsequently measured at fair value with gains and losses recognised in profit or loss except where the Company has elected to present the subsequent changes in fair value in other comprehensive income and accumulated in the fair value reserve at initial recognition.

The designation at fair value through other comprehensive income is not permitted if the equity investment is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise.

Dividend income from this category of financial assets is recognised in profit or loss when the Company's right to receive payment is established unless the dividends clearly represent a recovery of part of the cost of the equity investments.

ii) **Financial Liabilities**

a) Financial Liabilities at Fair Value through Profit or Loss

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. The changes in fair value of these financial liabilities are recognised in profit or loss.

b) Other Financial Liabilities

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or a shorter period (where appropriate).

Financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

iii) **Impairment of Financial Assets**

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Company always recognises lifetime expected credit losses for trade receivables and contract assets using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

For all other financial instruments, the Company recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

iv) **Derecognition**

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity to profit or loss. In contrast, there is no subsequent reclassification of the fair value reserve to profit or loss following the derecognition of an equity investment.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

v) **Equity Instruments**

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from proceeds. Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

3.6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash and bank balances, short-term deposits and other shot-term, highly liquid investments that are readily convertible to a known amount of cash with an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

3.7 FINANCIAL LIABILITIES

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, it is a derivative orr 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 u profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

i) ***Financial Liabilities At FVTPL***

This category comprises only out-of-the-money derivatives. They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income. The Company does not hold or issue derivative financial instruments, the Company does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

ii) Other Financial Liabilities

Other financial liabilities include the following items:

Bank borrowings and the Company's perpetual preference shares are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as ay interest or coupon payable while the liability is outstanding.

- liability components of convertible loan notes are measured as described further below.

- trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

iii) Derecognition Of 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 of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

3.8 PROVISIONS

A provision is recognised when the Company has an obligation at the reporting date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The risks and uncertainties are taken into account in reaching the best estimate of a provision. When the effect of the time value of money is material, the amount recognised in respect of the provision is the present value of the expenditure expected to be required to settle the obligation.

3.9 EQUITY INSTRUMENTS

Equity instruments are any contracts that evidence a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Dividends on ordinary shares will be recognised as liabilities when the shareholders' rights to receive the dividends are established.

3.10 REVENUE

Revenue which represents income arising in the course of the Company's ordinary activities is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Company transfers the control of the goods or services promised in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with customer, the control of the promised goods or services may transfer over time or at a point in time.

A contract with customer exist when the contact has commercial substance, the Company and its customer has approved the contract and intend to perform their respective obligations, the Company's and the customer's rights regarding the goods or services to be transferred and the payment terms can be identified, and it it probable that the Company will collect the consideration to which it will be entitled to in exchange of those goods or services.

Recognition and measurement

At the inception of each contract with customer, the Company assesses the contract to identify distinct performance obligation, being the units of account that determine when and how revenue from the contract with customer is recognised. A performance obligation is a promise to transfer a distinct goods or services (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Company's customary business practices. A good or services is distinct if:

- liability components of convertible loan notes are measured as described further below.

- the goods or services is separately identifiable from other promises in the contract

If a good or services is not distinct, the Company combines it with other promised goods or services until the Company identifies performance obligation consisting a distinct bundle of goods or services.

Revenue is measured based on the consideration specified in contract with a customer excludes amounts collected on behalf of third parties such as sales and service taxes or goods and services taxes. If the amount of consideration varies due to discounts, rebates, refunds, credits incentives, performance bonuses, penalties or other similar items, the Company estimates the amount of consideration that it expects to be entitled based on the expected value or the most likely outcome but the estimation is constrained up to the amount that is highly probable of no significant reversal in the future. If the contract with customer contains more than one distinct performance obligation, the amount of consideration is allocated to each distinct performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

The consideration allocated to each performance obligation is recognised as revenue when or as the customer obtains control of the goods or services. At the inception of each contract with customer, the Company determines whether control of the goods or services for each performance obligation is transferred over time or at a point of time. Control over the goods or services are transferred over time and revenue is recognised over time if:

- the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company perform;

- the Company's performance creates or enhances a customer-controlled asset; or

- the Company's performance does not create an asset with alternative use and the Company has a right to payment for performance completed to date.

Revenue for performance obligation that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

The revenue recognition policies for each of the Company's major activities are described below:

i) Rendering Of Services

Revenue is recognised in the accounting period in which the services are rendered and the customer receives and consumers the benefits provided by the Company, and the Company has a present right to payment for the services.

ii) Interest Income

Interest income is recognised using the effective interest method, and accrued on a time basis.

3.11 EMPLOYMENT BENEFITS

i) Short-Term Employment Benefits

Short-term employment benefits, such as wages, salaries and social security contribution, are recognised as an expense in the financial year in which the associated services are rendered by employees of the Company.

Short-term accumulating compensated absences, such as paid annual leave, are recognised when the employees render services that increase their entitlement to future compensated absences. Non-accumulating compensated absences, such as sick and medical leaves, are recognised when the absences occur.

The expected cost of accumulating compensated absences is measured as the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the reporting date.

Profit-sharing and bonus plans are recognised when the Company has a present legal or constructive obligation to make payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exist when, and only when the Company has no realistic alternative but to make the payments.

ii) Defined Contribution Plan

Contributions to the statutory pension scheme are recognised as an expense in profit or loss in the financial year to which they relate.

3.12 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the asset when the expenditures for the asset and borrowing costs are being incurred, and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended during any extended periods in which active development is interrupted and ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in profit or loss in the financial year in which they are incurred.

3.13 INCOME TAX

Income tax comprises of current tax and deferred tax. Current tax and deferred tax charged or credited to other comprehensive income or equity if the tax relates to items are credited or charged directly to other comprehensive income or equity.

Current tax liabilities are measured based on the amounts expected to be paid, using the tax rates that have been enacted or substantially enacted by the reporting date.

Deferred tax is provided in full, using the liability method, on temporary differences which are the differences between the carrying amount in the financial statements and the corresponding tax base of an asset or liability at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences to be extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Deferred tax liabilities and assets are not recognised if the temporary differences arise from goodwill and for initial recognition of assets or liabilities that affect neither accounting profit nor taxable profit. Deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amounts of its assets and liabilities and are measured using the tax rates that have been enacted or substantially enacted by the reporting date.

The carrying amount of the deferred tax assets are reviewed at each reporting date, and the carrying amount is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be utilised. The reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

3.14 FAIR VALUE MEASUREMENT

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For a non-financial asset, the fair value measurement takes into account a market participants ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3.15 CONTINGENT LIABILITIES

A contingent liability is a possible obligation or asset that arises from past events and whose existence will only be confirmed only by the occurrence of or non-occurrence of uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements, unless the probability of outflow of economic benefits is remote. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

4.1 CRITICAL JUDGEMENTS IN APPLYING THE ACCOUNTING POLICIES

The judgements, apart from those involving estimations described below, that management has made in the process of applying the accounting policies and that have the most significant effect on the amounts recognised in the financial statements, other than those disclosed in the Notes, are as follows:

4.2 KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year, other than those disclosed in the Notes, are as follows:

i) Depreciation of property, plant and equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets. Therefore future depreciation charges could be revised.

ii) Income taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Company recognizes tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the year in which such determination is made.

iii) Impairment of non-financial assets

When the recoverable amount of an asset is determined based on the estimate of the value in use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flow from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

iv) Impairment Loss For Trade Receivables

An impairment loss is recognized when there is objective evidence that a financial asset is impaired. Management specifically reviews its loans and receivables financial assets and analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when making a judgement to evaluate the adequacy of the allowance for impairment losses. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the expectation is different from the estimation, such difference will impact the carrying amount of receivables.

v) Fair value estimates for certain financial assets and liabilities

The Company carries certain financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using valuable objective evidence, the amount of changes in fair value would differ if the Company uses different valuation methodologies. Any changes in fair value of these assets and liabilities would affect profit and or equity.

5 PROPERTY, PLANT AND EQUIPMENT

	As at 1 April 2024 RM	Additions RM	Disposals RM	As at 31 March 2025 RM
Cost				
Computer	431,410	26,300	-	457,710
Furniture and fittings	380,881	-	-	380,881
Office equipment	107,160	-	-	107,160
Renovation	144,440	-	-	144,440
Telephone instruments	2,610	-	-	2,610
Warehouse equipment	122,218	-	-	122,218
	1,188,719	26,300	-	1,215,019

	As at 1 April 2024 RM	Charges for the year RM	Disposals RM	As at 31 March 2025 RM
Accumulated Depreciation				
Computer	410,148	18,851	-	428,999
Furniture and fittings	349,853	16,519	-	366,372
Office equipment	92,273	6,763	-	99,036
Renovation	143,501	619	-	144,120
Telephone instruments	1,768	373	-	2,141
Warehouse equipment	66,807	12,222	-	79,029
	1,064,350	55,347	-	1,119,697

	2025 RM	2024 RM
Carrying Amounts		
Computer	28,711	21,262
Furniture and fittings	14,509	31,028
Office equipment	8,124	14,887
Renovation	320	939
Telephone instruments	469	842
Warehouse equipment	43,189	55,411
	95,322	124,369

6 TRADE RECEIVABLES

	2025 RM	2024 RM
Trade receivables	12,392,743	2,519,071
Less: Allowance for expected credit losses		
> Lesser than 30 days	-	-
> 30 - 60 days	-	-
> 61- 90 days	-	-
> More than 90 days	-	-
> Allowance for expected credit losses - specific	-	-
	-	-
	12,392,743	2,519,071

The normal trade credit terms granted to the customers ranges from 30 to 90 days.

These receivables were unsecured and the analysis of their aging at the reporting date is as follows:

	2025 RM	2024 RM
Lesser than 30 days	11,353,113	1,135,354
30 - 60 days	864,485	592,789
61- 90 days	162,222	359,328
More than 90 days	12,923	431,600
	12,392,743	2,519,071

7 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2025 RM	2024 RM
Other receivables	4,529,355	530,553
Less: Impairment losses	-	-
Deposits	35,980	36,300
Prepayments	34,312	16,557
	4,599,647	583,410

8 AMOUNT OWING BY/(TO)TO RELATED COMPANIES

This amount is unsecured, interest-free and repayable on demand.

9 CASH AND CASH EQUIVALENTS

Cash and bank balances in the statement of cash flows comprise the following at the reporting date:

	2025 RM	2024 RM
Cash at bank	687,070	1,562,708
Cash in hand	400	400
	687,470	1,563,108

10 TRADE PAYABLES

The normal trade credit terms granted to the Company ranges from 30 to 90 days.

11 OTHER PAYABLES AND ACCRUALS

	2025 RM	2024 RM
Other payables	195,283	39,600
Accruals	1,828,868	532,791
Refundable deposits	30,000	30,000
	2,054,151	602,391

12 AMOUNT OWING TO HOLDING COMPANIES

This amount is unsecured, the interest rates are in the ranges from 5% - 6% per annum and repayment demand.

13 SHARE CAPITAL

	Number of shares			
	2025 Units	2024 Units	2025 RM	2024 RM
Issued and fully paid:				
Ordinary shares				
At beginning and at year end	500,000	500,000	500,000	500,000

Pursuant to the Companies Act 2016 effective from 31 January 2017, the concept of authorised share capital and par value has been abolished.

Ordinary shares of the Company have no par value. The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

14 REVENUE

The Company derives its revenue from services over time.

	2025 RM	2024 RM
Revenue expected to be recognized on:-		
Agency revenue	59,830	70,284
Documentation revenue	629,958	377,285
Freight and forwarding revenue	59,810,088	13,058,151
Miscellaneous income	899,471	904,908
Warehousing income	1,284,157	745,717
	62,683,504	15,156,345

15 (LOSS) PROFIT BEFORE TAX

15.1 DISCLOSURE ITEMS

	2025 RM	2024 RM
This is stated after charging:		
Impairment loss reversal	-	(60,658)
Audit fee		
- Current year	31,500	27,432
- (Over)/Under provision in prior year	(432)	1,920
Bad debts written-off	-	-
Depreciation of property, plant and equipment	55,347	62,184
Interest to holding	263,348	401,281
Land lease rental	(2,592)	5,804
Legal and professional fee	70,200	123,829
Loss on foreign exchange - realised	621,111	831,849
(Gain)/Loss on foreign exchange - unrealised	(2,188,541)	603,713
Rental of photocopier	3,451	4,035
Rental of premises	97,388	94,940
And crediting:		
Gain on disposal of property, plant and equipment	-	(158)
Interest received	(16,993)	(51,299)
Miscellaneous income	(1,913,235)	(12,478)

15.2 EMPLOYEES BENEFITS EXPENSES

	2025 RM	2024 RM
Salaries, bonuses and allowances	1,334,325	1,300,374
EPF and SOCSO	226,909	234,979
	1,561,234	1,535,353

15.3 KEY MANAGEMENT PERSONNEL COMPENSATION

	2025 RM	2024 RM
Total key management personnel compensation	391,504	448,260

16 INCOME TAX EXPENSE

	2025 RM	2024 RM
Current tax expense		
Current year		
- Malaysia	-	-
	-	-
Over provision in prior years	-	(2,435)
Total income tax expense	-	(2,435)

The income tax expense is reconciled to the accounting profit at the applicable tax rate as follows:

	2025 RM	2024 RM
Profit/(loss) before tax	5,842,590	(2,582,607)
Tax at Malaysian statutory tax rate @ 24%	1,402,222	(619,826)
Tax effects of:		
Non-taxable income	(525,250)	-
Non-deductible expenses	175,013	332,794
Deferred tax on tax losses not recognised	(1,051,985)	287,032
Over provision in prior years	-	(2,435)
Total income tax expense	-	(2,435)

17 RELATED PARTY TRANSACTIONS

(a) Identities of related parties

Parties are considered to be related to the Company when the Holding Companies have the ability, directly or indirectly to control the party or exercise significant influence over the party in making financial and operating decisions; or vice versa, or where the Group and the parties are subject to common control or common significant influence.

The Ultimate Holding Company has the controlling related party relationship with its direct and indirect subsidiaries.

(b) In addition to the transactions and balances detailed elsewhere in the financial statements, the Company has the following transactions with related parties during the financial year:-

	2025 RM	2024 RM
Revenue	(4,310,447)	(1,969,726)
Cost of sales	44,445,085	3,877,202
Other income	(16,468)	(12,471)
Administration expenses	1,172,574	1,073,687
Finance cost	263,348	401,281

The related party transactions described above were carried out on terms and conditions not materially different from those obtainable from transactions with unrelated parties.

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management is integral to the development of the Company's business. The Company has in place the financial risk management policies to manage its exposure to a variety of risks to an acceptable level. The Company's principal financial risk management policies are as follows:

18.1 CREDIT RISK

Cash and bank balances are placed with reputable financial institutions based on rating agencies' ratings. The Company placed funds in respect of other financial assets by reference to the investment evaluation procedures to ensure that the credit risk is kept at minimum level.

Therefore, credit risk arises mainly from the inability of its customers to make payments when due. Trade receivables presented in the statement of financial position are net of allowances for impairment losses, estimated by management based on prior experience and the current economic environment.

The carrying amounts of the financial assets recorded on the statement of financial position at the reporting date represent the Company's maximum exposure to credit risk in relation to financial assets. No financial assets carry a significant exposure to credit risk other than those disclosed in the notes.

The Company does not hold any collateral and thus, the credit exposure is continuously monitored by the directors.

18.2 LIQUIDITY RISK

The Company's exposure to liquidity risk relates to its ability to meet obligations associated with financial liabilities as and when they fall due. The remaining contractual maturities of financial liabilities are disclosed in their respective notes.

The Company practices prudent liquidity risk management to minimise the mismatch of financial assets and liabilities whilst maintaining sufficient cash and the availability of fund through standby credit facilities.

18.3 INTEREST RATE RISK

Interest rate risk arises when the future cash flows or fair value will fluctuate due to the changes in interest rates related to financial assets and financial liabilities with floating interest rates.

The Company's financial instruments that are exposed to interest rate risk and the applicable weighted average effective interest rates are disclosed in the respective notes.

18.4 CURRENCY RISK

The Company has sales transactions and borrowings that are denominated in United States Dollar.

The Company's financial instruments that are exposed to currency risk and the extent of the exposures to currency risk are disclosed in the respective notes.

The Company uses foreign currency forward contracts to hedge the foreign currency risk on significant trade receivables and borrowings.

The carrying amounts of the Company's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows:

	Financial assets			Financial liabilities		
	Trade and other receivables	Amount owing by related companies	Cash and bank balances	Trade and other payables	Amount owing to holding companies	Amount owing to related companies
Year 2025	RM	RM	RM	RM	RM	RM
AUD	-	-	-	-	-	(2,699)
CNY	-	-	-	-	-	42,260
EURO	168	-	-	23,501	14,059	2,067,122
GBP	-	-	-	1,922	-	-
HKD	-	-	-	-	54,434	1,148
SGD	107,597	2,557,122	-	-	9,082,581	(125,237)
USD	411,911	69,261	144,824	96,047	31,076,685	291,763
Total	519,676	2,626,383	144,824	121,470	40,227,759	2,274,357
Year 2024	RM	RM	RM	RM	RM	RM
AUD	-	-	-	-	-	2,813
CAD	3,740	-	-	-	-	-
CNY	-	-	-	-	-	8,508
EURO	-	234	-	37,377	65,715	282,203
HKD	-	-	-	-	57,571	2,242
SGD	53,316	-	-	-	6,457,166	-
USD	404,293	150,083	-	22,707	9,606,220	139,426
Total	461,349	150,317	-	60,084	16,186,672	435,192

19 FINANCIAL INSTRUMENTS

19.1 CLASSIFICATION OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are measured on an on-going basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
	RM	RM	RM
Year 2025			
Financial Assets			
Trade and other receivables	16,958,078	-	16,958,078
Amount owing by related companies	3,626,383	-	3,626,383
Cash and bank balances	687,470	-	687,470
TOTAL FINANCIAL ASSETS	21,271,931	-	21,271,931
Financial Liabilities			
Trade and other payables	-	4,212,893	4,212,893
Amount owing to holding companies	-	40,194,942	40,194,942
Amount owing to related companies	-	2,274,357	2,274,357
TOTAL FINANCIAL LIABILITIES	-	46,682,192	46,682,192
Year 2024			
Financial Assets			
Trade and other receivables	3,102,481	-	3,102,481
Amount owing by related companies	150,317	-	150,317
Cash and bank balances	1,563,108	-	1,563,108
TOTAL FINANCIAL ASSETS	4,815,906	-	4,815,906
Financial Liabilities			
Trade and other payables	-	1,379,477	1,379,477
Amount owing to holding companies	-	34,243,774	34,243,774
Amount owing to related companies	-	435,192	435,192
TOTAL FINANCIAL LIABILITIES	-	36,058,443	36,058,443

19.2 FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT AMORTISED COST AND COST

The carrying amounts of the financial assets and financial liabilities are recognised at their fair values, except for the following financial assets and financial liabilities which are initially recognised at cost and amortised cost after initial recognition. However, the directors are of the opinion that the carrying amounts do not materially different from their fair values:

	2025		2024	
	Carrying Amounts	Fair values	Carrying Amounts	Fair values
	RM	RM	RM	RM
Financial Assets				
Trade and other receivables	16,958,078	16,958,078	3,102,481	3,102,481
Amount owing by related companies	3,626,383	3,626,383	150,317	150,317
Cash and bank balances	687,470	687,470	1,563,108	1,563,108
	21,271,931	21,271,931	4,815,906	4,815,906
Financial Liabilities				
Trade and other payables	4,212,893	4,212,893	1,379,477	1,379,477
Amount owing to holding companies	40,194,942	40,194,942	34,243,774	34,243,774
Amount owing to related companies	2,274,357	2,274,357	435,192	435,192
	46,682,192	46,682,192	36,058,443	36,058,443

Valuation techniques and significant assumptions used in determining fair value of financial assets and financial liabilities recognised at amortised cost or cost after initial recognition, other than non-current borrowings, are as follows:

Trade and other receivables, fixed deposits, cash and bank balances and trade and other payables

The carrying amounts approximate the fair values due to their short-term nature.

Non-current borrowings

Non-current borrowings are determined by discounting the relevant cash flows using the current interest rates for similar instruments at the reporting date and their carrying amounts are expected to approximate fair values.

20 CAPITAL MANAGEMENT

The primary objective of the management of the Company's capital structure is to optimise the balance between debts and equity to achieve a low cost of capital and maximise the return to stakeholders.

The capital structure of the Company consists of debts (comprising other borrowings) and equity (comprising retained earnings and other reserves). The Company monitor their capital using a gearing ratio, based on total debts divided by total equity. The target gearing ratio is to maintain it at below 50%. The directors review the capital structure at least quarterly, and consider the cost of capital and the risks associated with each class of capital.

The Company are not subject to externally imposed capital requirements.

During the financial year, no significant changes were made in the objectives, policies or processes for managing capital.

The gearing ratio at the reporting date was as follows:

	2025 RM	2024 RM
Debts		
- Trade and other payables	4,212,893	1,379,477
- Amount owing to holding companies	40,194,942	34,243,774
- Amount owing to related companies	2,274,357	435,192
Total Debts	46,682,192	36,058,443
Capital		
- Share capital	500,000	500,000
- Accumulated losses	(25,295,366)	(31,140,224)
Total Equity	(24,795,366)	(30,640,224)
Gearing ratio - Total debts over total equity	-188%	-118%

21 AUTHORISATION FOR ISSUE OF THE FINANCIAL STATEMENTS

The financial statements of the Company were authorised for issue by the Board of Directors on.

Lodged by:

Boardroom Corporate Services Sdn. Bhd.
Registration Number: 196001000110 (3775-X)
12th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia
Tel: 03-7890 4800
Fax: 03-7890 4650

TVS SCS Vietnam Company Limited

FY 2024-25

No. 250529/VIET&CO-TVS/BCKT

INDEPENDENT AUDITOR'S REPORT

To: The Chairman and the General Director of TVS SCS VIETNAM CO., LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TVS SCS VIETNAM CO., LTD (the Company), which comprise the statement of financial position as at 31 March 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statement in Vietnam, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that the Company incurred a net loss of VND 20,278,416,219 during the year ended 31 March 2025 and, as of that date, the Company's current liabilities exceeded its total assets by VND 16,678,416,219. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of the General Director for the Financial Statements

The General Director are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free form material misstatement, whether due to fraud or error. In preparing the financial statements, the General Director are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

Nguyen Quang Ty
Director
Audit Practising Registration Certificate 1353-2023-252-1
For and on behalf of
Viet & Co Auditing Company Limited
Ho Chi Minh City, May 29, 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

Currency: VND

	Notes	Current year	Previous year
Revenues from slae of goods and rendering of services	3	85,832,512,786	94,137,278,132
Cost of goods sold	5	(69,174,524,605)	(75,367,475,883)
Gross profit/(loss)		**16,657,988,181**	**18,769,802,249**
Finance income	4	474,261,073	1,962,924,743
Financial expenses	6	(1,709,657,409)	(4,140,127,878)
Marketing and distribution expenses	7	(413,252,590)	(625,251,173)
Administration expenses	8	(24,956,065,419)	(28,054,890,722)
Net operating profit/(loss)		**(9,946,726,164)**	**(12,087,542,781)**
Other income		219,898,052	181,085
Other expenses		(183,133)	(929,232,393)
Profits before tax		**(9,727,011,245)**	**(13,016,594,089)**
Current income tax expense	9	-	-
Deffered income tax		-	-
Profits for the period		**(9,727,011,245)**	**(13,016,594,089)**
Other comprehensive loss			
Foreign currency translation differences			
Total comprehensive profits for the period		**(9,727,011,245)**	**(13,016,594,089)**

The notes set out are an integral of these financial statement.

NGUYEN KHANH NGUYEN
Chief Accountant

NGUYEN XUAN THUY
General Director
May 29, 2025

STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

Currency: VND

Assets	Notes	Ending balance VND	Beginning balance VND
Non-current assets			
Property, plant and equipment	10	876,662,292	1,578,563,876
Deferred tax assets			
Other long-term assets	11	742,376,799	680,870,339
Total non-current assets		**1,619,039,091**	**2,259,434,215**
Current assets			
Inventory		341,814,849	262,799,981
Trade and other receivables	12	8,610,180,537	18,110,452,149
Provision for bad debts	13	-	(11,236,425)
Prepayment to suppliers		69,430,000	19,105,084
Internal trade and other receivales	14	6,385,613,560	6,278,264,602
Advances to employees		1,213,361,936	2,036,084,373
Tax receivables		1,146,000,000	1,356,880,028
Cash and bank balances	15	9,704,148,968	36,915,387,674
Total current assets		**27,470,549,850**	**64,967,737,466**
Total assets		**29,089,588,941**	**67,227,171,681**

The notes set out are an integral of these financial statements

STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

Currency: VND

Equity and liabilities	Notes	Ending balance VND	Beginning balance VND
Capital and reserves			
Paid up capital		3,600,000,000	3,600,000,000
Accumulated profit/(loss)		(20,278,416,219)	(10,551,404,974)
Total equity		**(16,678,416,219)**	**(6,951,404,974)**
Current liabilities			
Trade payables	16	41,339,647,685	68,322,135,513
Lease liabilities	17	635,231,458	1,066,658,999
Tax liabilities	18	294,481,156	183,969,515
Accrued expenses	19	993,897,187	682,984,922
Advance from customers		749,378,688	912,945,094
Other liabilities	20	1,755,368,986	3,009,882,613
Total current liabilities		**45,768,005,160**	**74,178,576,656**
Total liabilities		**45,768,005,160**	**74,178,576,656**
Total equity and liabilities		**29,089,588,941**	**67,227,171,681**

The notes set out are an integral of these financial statements

NGUYEN KHANH NGUYEN
Chief Accountant

NGUYEN XUAN THUY
General Director
May 29, 2025

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

Currency: VND

	Legal capital	Accumulated profit	Total
	VND	VND	VND
Balance at 01 April 2023	**3,600,000,000**	**2,465,189,115**	**6,065,189,115**
Capital contribution	-	-	
Profit/(loss) For the year	-	(13,016,594,089)	**(13,016,594,089)**
Other decreases	-	-	-
Balance at 01 April 2024	**3,600,000,000**	**(10,551,404,974)**	**(6,951,404,974)**
Capital contribution		-	-
Profit/(loss) For the year	-	(9,727,011,245)	(9,727,011,245)
Other decreases		-	-
Balance at 31 March 2025	**3,600,000,000**	**(20,278,416,219)**	**(16,678,416,219)**

The notes set out are an integral of these financial statements.

NGUYEN KHANH NGUYEN
Chief Accountant

NGUYEN XUAN THUY
General Director
May 29, 2025

CASH FLOW STATEMENT

For the year ended 31 March 2025

Currency: VND

ITEMS	Notes	Current year	Previous year
I. Cash flows from operating activities			
1. Net profit (loss) before tax		**(9,727,011,245)**	**(13,016,594,089)**
2. Adjustments for		-	-
- Depreciation and amortisation		828,245,220	2,051,275,775
- Provisions		(11,236,425)	-
- Unrealised foreign exchange (gains) losses		18,593,132	(82,552,913)
- (Profits) losses from investing activities		(143,122,796)	(437,475,296)
- Interest expense		75,182,459	87,998,907
3. Operating income (loss) before changes in working capital		***(8,959,349,655)***	***(11,397,347,616)***
- (Increase) decrease in receivables		10,406,689,615	(8,677,952,986)
- (Increase) decrease in inventories		(79,014,868)	2,161,709,161
- Increase (decrease) in payables		(28,104,866,789)	24,857,305,344
- (Increase) decrease in prepaid expenses		6,070,006	29,254,932
- Enterprise income tax paid		-	-
Net cash flows from (used in) operating activities		***(26,730,471,691)***	***6,972,968,835***
II. Cash flows from investing activities			
Purchase Management tool, equipments & computer softwares		(126,343,636)	-
Payments for lease		(506,610,000)	(1,733,127,500)
Interest and dividends received		143,122,796	437,475,296
Net cash flows from (used in) investing activities		***(489,830,840)***	***(1,295,652,204)***
III. Cash flows from financing activities			
Net cash flows from (used in) financing activities		**-**	**-**
Net increase (decrease) in cash and cash equivalents		**(27,220,302,531)**	**5,677,316,631**
Cash and cash equivalents at beginning of period		**36,915,387,674**	**31,162,062,752**
Impact of exchange rate fluctuation		9,063,825	76,008,291
Cash and cash equivalents at end of period		**9,704,148,968**	**36,915,387,674**

The notes set out are an integral of these financial statements

NGUYEN KHANH NGUYEN
Chief Accountant

NGUYEN XUAN THUY
General Director
May 29, 2025

NOTES TO THE FINANCIAL STATEMENTS
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

1. GENERAL INFORMATION

TVS SCS Vietnam Co., LTD was incorporated in Vietnam, according to the 3rd adjustment Investment License dated August 11, 2014 No. 411022000754 and investment Certificate project code No. 2137426356 on February 6, 2018 and the second adjustment license granted on November 19,2021 issued by Ho Chi Minh City People's Committee; and the 10th business registration license dated September 18, 2024 No. 0309421229 issued by Ho Chi Minh City Department of Planning and Investment.

The contributing members of the company include:

	Legal capital VND	Ratio (%)	Nationality
TVS SCS Singapore Pte. Ltd.	3,420,000,000	95	Singapore
Mr. Le Thien Thu	180,000,000	5	Vietnam
Total	**3,600,000,000**	**100**	

The principal activities of the Company are services freight agents, customs clearance services by air and sea, warehousing services, consulting services for logistics operations.

The number of employees as at 31 March 2025 was 33 (31 March 2024: 38).

The Company's head office are located at No. 172 Hai Ba Trung Street, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basic of preparation

The financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards.

Statement of compliance

The financial statements, expressed in Vietnamese Dong ("VND"), have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations as adopted by the International Accounting Standards Board (IASB).

As at 31 March 2025, the Company had significant accumulated losses of VND 20,278,416,219 and exceeded its shareholders' equity by VND 16,678,416,219. In view thereof, the Company's ability to continue its operations is dependent upon its ability to generate sufficient cash flows and the continuing support from its investor. As a consequence, the Company's sole investor has confirmed that it will continue to provide funding. Accordingly, the financial statements have been prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

Estimates and judgments

The preparation of consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Revenue recognition

Revenue represents the fair value of consideration received or receivable for the sale of goods and services in the course of the company's activities. It is recognised when it is probable that future economic benefits will flow to the company and the amount of revenue can be measured reliably. It is stated net of Value Added Tax, rebates and trade discounts.

Sale of goods are recognised upon the delivery of the product and customer acceptance, while sale of services are recognised upon performance of the service and customer acceptance based on the proportion of actual service rendered to the total services to be provided.

Interest income is recognised on a time proportion basis using the effective interest method.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange prevailing on the reporting date. The resulting foreign exchange gains and losses from the settlement of such transactions and from year-end translation are recognised on a net basis in the profit and loss account in the year in which they arise, except for differences arising on translation of non-monetary available-for-sale financial assets, which are recognised in other comprehensive income.

Borrowing costs

All other borrowing costs are recognized in the statement of profit or loss when incurred.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in bank and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Receivables and other assets

Receivables and other assets that have fixed or determinable payments that are not quoted in an active market are classified as receivables.

NOTES TO THE FINANCIAL STATEMENTS
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw material, direct labour, other direct costs, variable production overheads and an allocation of fixed production overheads based on normal operating capacity, but exclude borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Leases

These accounting policies are applied on and after the initial application date of IFRS 16:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the Contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, including the lease contracts for office and motor vehicles. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straightline basis over the shorter of the lease term and the estimated useful lives of the assets.

The Company's right-of-use assets are presented in property, plant and equipment (Note 9).

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

NOTES TO THE FINANCIAL STATEMENTS
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

The Company's lease liabilities are presented in lease (Note 16).

These accounting policies are applied before the initial application date of IFRS 16:

Leases of assets where a significant proportion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the profit and loss account on a straight line basis over the lease period. Prepaid operating lease rentals are recognised as assets and are subsequently amortised over the lease period.

Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure directly attributable to the acquisition of the assets. Computer software, including the operating system, that is an integral part of the related hardware is capitalised as part of the computer equipment.

All repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

Depreciation is calculated using the straight-line method to allocate their cost over their estimated useful lives.

Accounts payable and accruals

Liabilities are recoginised for amount to be paid in the future for goods or services received, whether billed by the party or not.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Events after the reporting date

The financial statements are adjusted to reflect events that occurred between the reporting date and the date when the financial statements are authorised for issue, provided they give evidence of conditions that existed at the reporting date.

3. Revenues

	Current year	Previous year
Revenues from sale of goods and rendering of services	**85,832,512,786**	**94,137,278,132**
In which		
Revenue from agency services freight by sea	30,865,754,571	31,381,019,846
Revenue from agency services freight by air	20,499,675,691	33,317,084,048
Others	34,467,082,524	29,439,174,238

4. Financial income

	Current year	Previous year
Interest income	143,122,796	437,475,296
Gain from realised foreign exchange rate	224,008,571	1,377,583,863
Gain from unrealised foreign exchange rate	107,129,706	147,865,584
Total	**474,261,073**	**1,962,924,743**

5. Cost of goods sold

	Current year	Previous year
Cost from agency services freight by sea	23,793,752,096	23,666,573,869
Cost from agency services freight by air	17,847,674,448	29,209,348,212
Others	27,533,098,061	22,491,553,802
Total	**69,174,524,605**	**75,367,475,883**

6. Financial expenses

	Current year	Previous year
Interest expense	75,182,459	87,998,907
Loss from realised foreign exchange rate	1,508,752,112	3,986,816,300
Loss from unrealised foreign exchange rate	125,722,838	65,312,671
Total	**1,709,657,409**	**4,140,127,878**

7. Selling expenses

	Current year	Previous year
Expenses for external services	293,886,184	185,382,995
Other expenses	119,366,406	439,868,178
Total	**413,252,590**	**625,251,173**

8. General & administration expenses

	Current year	Previous year
Labour costs	14,059,113,435	16,350,806,647
Tools and supplies costs	92,568,307	79,242,913
Depreciation expenses	804,554,015	2,051,275,775
Fee expenses	219,567,242	1,650,784,680
Expenses for external services	5,511,187,359	3,158,073,019
Management service fees	4,079,627,604	4,623,403,197
Other expenses	189,447,457	141,304,491
Total	**24,956,065,419**	**28,054,890,722**

9. Enterprise Income Tax (EIT) and profits after tax payables

	Current year	Previous year
Total accounting profits before tax	**(9,727,011,245)**	**(13,016,594,089)**
Adjusted increases or decreases in accounting profits to determine EIT taxable profits		
Adjustment	*861,129,651*	*840,515,709*
Non-deductible expenses	715,225,000	929,228,052
Difference on IFRS (lease) and VAS	16,534,544	(88,712,343)
Unrealised foreign exchange loss	129,370,107	-
Adjusted decreases	*107,129,706*	*568,959,024*
Unrealised foreign exchange gain	107,129,706	129,370,107
Realised foreign exchange gain previous year	-	439,588,917
Total taxable income	(8,973,011,300)	(12,745,037,404)
Loss carried forward from previous years	-	-
Total taxable income	(8,973,011,300)	(12,745,037,404)
EIT payables	-	-
Profits after EIT	**(9,727,011,245)**	**(13,016,594,089)**

10. Property, plant and equipment

	Right of use assets (warehouse, office buildings)	Right of use assets (Motor Vehicle)	Tools, equipment & computer softwares	Total
Cost				
At 01 April 2024	10,109,212,396	2,221,952,128	4,185,802,309	**16,516,966,833**
Addition	-	-	126,343,636	**126,343,636**
Disposals				-
At 31 March 2025	10,109,212,396	2,221,952,128	4,312,145,945	**16,643,310,469**
Accumulated depreciation				
At 01 April 2024	9,064,788,761	2,221,952,128	3,651,662,067	**14,938,402,957**
Depreciation	447,962,085	-	380,283,135	**828,245,220**
Disposals				-
At 31 March 2025	9,512,750,846	2,221,952,128	4,031,945,202	**15,766,648,177**
Carrying amount				
At 01 April 2024	1,044,423,634	-	534,140,242	**1,578,563,876**
At 31 March 2025	596,461,549	-	280,200,743	**876,662,292**

11. Other long-term assets

	Ending balance	Beginning balance
Deposit for rent office at Ho Chi Minh City	450,707,400	381,200,940
Deposit for rent office at Ha Noi City	153,219,399	153,219,399
Deposit for rent office at Hai Phong City	10,000,000	10,000,000
Deposit taxi Mai Linh	10,000,000	10,000,000
Others	118,450,000	126,450,000
Ending balance	**742,376,799**	**680,870,339**

12. Trade and other receivables

	Ending balance	Beginning balance
Trade receivables	**7,601,800,394**	**17,317,570,147**
Daeho Steel Viet Nam Co., Ltd	932,418,000	194,458,147
Dorco Vina Co., Ltd and Dorco Vina Co Ltd – Ha Nam Branch	1,148,062,972	1,152,246,396
Vinh Tuong Industrial JSC	-	845,713,752
Dorco Living Vina Co Ltd	597,936,973	887,995,886
Diebold Nixdorf Vietnam Co. Ltd	272,116,148	268,088,548
Us Technology Mfg Ltd	268,205,015	286,297,690
Innomotics Co., Ltd	-	498,395,928
Tan My Co Ltd	275,905,557	178,804,693
Festo Vietnam Co., Ltd	130,011,388	77,735,794
Siemens Co., Ltd - Binh Duong Branch	755,382,794	2,475,410,660
Siemens Co., Ltd	-	4,564,177,404
Siemens Energy Co., Ltd	-	1,857,350,395
Rifline Italy S.P.A	21,473,487	20,840,952
Infac Vina Co Ltd	-	810,676,279
Dystar China Ltd.	-	1,174,701,821
Eurofret Canada Inc	1,766,338,802	556,428,668
Meditec Technology Company Limited	476,977,348	311,253,800
Other customers	956,971,910	1,156,993,334
Other receivables	**809,730,201**	**588,162,051**
Prepaid expenses	**198,649,942**	**204,719,951**
Total	**8,610,180,537**	**18,110,452,149**

13. Provision for bad debts

	Ending balance	Beginning balance
Inter Trans Pvt Ltd	-	11,236,425
Total	**-**	**11,236,425**

14. Internal trade and other receivales

	Ending balance	Beginning balance
PT. TVS SCS Indonesia	-	49,317,186
TVS SCS Malaysia Sdn Bhd	-	12,316,890
TVS SCS Singapore Pte. Ltd.	2,487,434,949	152,259,244
TVS SCS (Aust) Pty. Ltd.	142,475,765	259,317,683
TVS SCS (Korea) LTD.	1,036,802,972	1,006,262,392
TVS SCS International Freight (Spain), S.L.U.	761,367,690	58,351,888
TVS SCS Logistics (Thailand) Limited	25,248,488	38,077,155
TVS SCS Deutschland Gmbh	369,358,840	241,607,067
TVS SCS New Zealand Limited	850,000,977	1,901,723,637
TVS SCS Global Freight Solutions Limited	336,519,699	50,321,097

14. Internal trade and other receivales (continued)

TVS Supply Chain Solutions North America Inc	376,404,180	-
Profit share receivables	-	2,508,710,363
Sea Freight Export shipments	-	*1,550,228,673*
Sea Freight Import shipments	-	*860,924,326*
Accrued VAT payable for net profit share	-	*97,557,364*
Total	**6,385,613,560**	**6,278,264,602**

15. Cash and cash equivalents

	Ending balance	Beginning balance
Cash on hand	-	46,765,734
Cash in bank	9,704,148,968	36,868,621,940
Total	**9,704,148,968**	**36,915,387,674**

16. Trade payables

	Ending balance	Beginning balance
TVS Supply Chain Solutions PTE LTD	17,956,459,065	11,990,952,018
TVS SCS International Pte Ltd	-	208,478,358
TVS SCS Deutschland Gmbh	5,689,584,599	9,930,111,388
TVS SCS Malaysia Sdn Bhd	59,997,882	142,204,254
TVS SCS Singapore Pte Ltd	12,986,053,916	39,270,741,981
TVS SCS Logistics Ltd Guangzhou Branch	-	17,254,316
TVS SCS (Korea) Ltd.	217,159,493	108,075,998
TVS SCS Logistics Ltd	-	27,596,131
TVS SCS Taiwan Limited	-	6,686,950
PT. TVS SCS Indonesia	-	18,958,433
TVS SCS Global Freight Solutions Limited	6,312,122	45,814,911
TVS SCS Rico Italia Srl	22,062,545	6,934,132
TVS SCS (Aust) Pty. Ltd.	60,067,932	117,848,373
Xuan Hieu Trading and Transport Investment JSC	218,808,001	217,512,000
Cargomind (Slovakia) S.R.O	-	173,136,438
Vinalink Logistics JSC	11,949,824	420,120,454
Nguyen Quyet Co Ltd	292,680,000	583,653,600
Container B.N Co Ltd	865,058,400	1,664,300,520
Tan Cang Warehousing JSC	-	405,374,927
Interchains JSC	-	1,778,268,214
Con Ong Transport and Logistics JSC	794,762,976	-
Bao An International Trading and Import Export Co., Ltd	178,632,000	-
Kien Cuong Trading and Production Co., Ltd	177,724,800	147,506,400
NMQ Logistics JSC	849,684,600	-
Other suppliers	952,649,530	1,040,605,716
Total	**41,339,647,685**	**68,322,135,513**

17. Leases

The Company has lease contracts for office buildings and car, lease duration are one year and can be extended.

a. **Carrying amounts of right-of-use assets:** are disclosed in property, plant and equipment in Note 9.

b. **Lease liabilities**

	Office building	Motor Vehicle	Total
Opening Balance	1,066,658,999	-	1,066,658,999
Interest Expense	75,182,459	-	75,182,459
Lease Payments	(506,610,000)	-	(506,610,000)
Additions during the year	-	-	-
Deletions during the year	-	-	-
Ending Balance	**635,231,458**	**-**	**635,231,458**

c. **Maturity analysis of lease liabiltites**

Contractual cash flows	Ending balance	Beginning balance
On demand or within one year	436,785,000	506,610,000
In the second year	241,010,000	436,785,000
In the third to fifth year inclusive	-	241,010,000

18. Taxes and statutory obligations

	Ending balance	Beginning balance
Value-added tax payabes	273,202,908	-
Personal Income Tax payables	21,278,248	183,969,515
Total	**294,481,156**	**183,969,515**

19. Accrued expenses

	Ending balance	Beginning balance
Accrued for work in progress	123,417,243	270,895,922
Audit service fee	97,660,000	84,000,000
Computer and IT service fees	119,477,978	-
Legal and other consulting fees	215,100,000	-
Accrued bonus for employees	438,241,966	328,089,000
Total	**993,897,187**	**682,984,922**

20. Other payables

	Ending balance	Beginning balance
Trade Union expenditure	176,395,094	679,958,160
Foreign contractor withholding tax payables	1,578,973,892	1,138,238,500
Profit share payables	-	1,191,685,949
Air Freight Import shipments		*867,774,421*
Air Freight Export shipments		*323,911,528*
Others	-	4
Total	**1,755,368,986**	**3,009,882,613**

21. Related party transactions and balances

During the year, the Company entered into the following significant transactions with its related parties:

List of related parties:

Related parties	Relationship
TVS SCS Singapore Pte. Ltd.	Investor
TVS SCS Taiwan Limited	Affiliate
TVS SCS Malaysia Sdn Bhd	Affiliate
TVS SCS Malaysia Sdn Bhd - JB Branch	Affiliate
TVS SCS (Korea) Ltd.	Affiliate
TVS SCS Deutschland GmbH	Affiliate
TVS SCS Hong Kong Ltd.	Affiliate
TVS SCS International Pte. Ltd.	Affiliate
PT. TVS SCS Indonesia	Affiliate
TVS SCS (Aust) Pty. Ltd.	Affiliate
TVS Supply Chain Solutions Pte Ltd	Affiliate
TVS Supply Chain Solutions North America INC	Affiliate
TVS Supply Chain Los Angeles Branch	Affiliate
TVS SCS Global Freight Solutions Limited	Affiliate
TVS SCS International Freight (Spain), S.L.U	Affiliate
TVS SCS Logistics (Thailand) Limited	Affiliate
TVS SCS Logistics Ltd	Affiliate
TVS SCS Logistics Guangzhou Branch	Affiliate
TVS SCS Logistics Beijing Branch	Affiliate
TVS SCS Logistics LTD Ningbo Branch	Affiliate
TVS SCS New Zealand Limited	Affiliate
TVS SCS Rico Italia SRL	Affiliate
Mr. Le Thien Thu	General Director (resigned on 01 November 2024)
Mr. Nguyen Xuan Thuy	General Director (appointed from September 18, 2024)

	Current year	Previous year
Sales	**11,012,634,822**	**5,418,146,106**
TVS SCS Singapore Pte. Ltd.	3,660,447,457	246,051,013
TVS SCS Malaysia Sdn Bhd	1,275,000	12,241,460
TVS SCS Malaysia Sdn Bhd - JB Branch	1,200,000	-
TVS SCS (Korea) Ltd.	-	998,702,740
PT. TVS SCS Indonesia	202,514,222	48,994,340
TVS SCS Deutschland GmbH	199,287,322	325,053,950
TVS SCS International Freight (Spain), S.L.U	2,918,949,720	397,317,773
TVS SCS Global Freight Solutions Limited	611,295,157	323,883,555
TVS SCS (Aust) Pty. Ltd.	773,399,517	596,651,761
TVS SCS Logistics (Thailand) Limited	12,192,005	102,212,937
TVS SCS Logistics Ltd	12,372,210	8,804,731
TVS SCS Logistics Guangzhou Branch	-	13,021,367
TVS SCS Logistics Beijing Branch	24,885,448	8,410,292
TVS SCS Logistics LTD Ningbo Branch	4,019,173	-
TVS SCS New Zealand Limited	1,395,741,975	2,336,800,187
TVS SCS Rico Italia SRL	17,411,814	-
TVS SCS Hong Kong Limited	874,976	-
TVS SCS Taiwan Limited	103,971,641	-
TVS Supply Chain Solutions North America INC	515,840,000	-
TVS Supply Chain Los Angeles Branch	556,957,185	-
Purchases	**11,880,232,950**	**30,150,646,567**
TVS SCS Singapore Pte. Ltd.	1,812,664,511	7,896,033,700
TVS SCS Malaysia Sdn Bhd	111,051,979	117,928,261
TVS SCS Taiwan Limited	32,771,519	16,124,157
TVS SCS (Korea) Ltd.	104,147,227	58,122,435
PT. TVS SCS Indonesia	83,786,579	35,319,790
TVS SCS Deutschland GmbH	3,441,583,047	16,259,698,194
TVS Supply Chain Solutions Pte Ltd	5,395,467,940	4,319,902,847
TVS Supply Chain Solutions North America Inc	499,904,846	-
TVS Supply Chain Los Angeles Branch	5,616,600	-
TVS Supply Chain Solutions North America, Inc.(Gfs)	2,323,828	-
TVS SCS Global Freight Solutions Limited	66,883,592	26,331,861
TVS SCS (Aust) Pty. Ltd.	131,868,000	644,974,956
TVS SCS Logistics (Thailand) Limited	22,988,566	13,293,764
TVS SCS Logistics Ltd	73,292,150	127,131,720
TVS SCS Logistics Guangzhou Branch	34,651,287	127,318,687
TVS SCS Logistics Beijing Branch	-	6,882,282
TVS SCS New Zealand Limited	-	462,281,463
TVS SCS Rico Italia SRL	51,078,209	39,302,450
TVS SCS International Freight (Spain), S.L.U	5,092,061	-
TVS SCS Hong Kong Limited	5,061,009	-

Management service fees		
TVS Supply Chain Solutions Pte Ltd	4,079,627,604	4,623,403,197
Net Profit Share - Intercompany Providing of Services		
Net Profit Share - income		
TVS SCS Singapore Pte. Ltd.	2,208,621,727	1,219,467,049

Related parties balances as at the balance sheet date were as follows:

	Ending balance	Beginning balance
Receivables	**6,385,613,560**	**3,769,554,239**
PT. TVS SCS Indonesia	-	49,317,186
TVS SCS Malaysia Sdn Bhd	-	12,316,890
TVS SCS Singapore Pte. Ltd.	2,487,434,949	152,259,244
TVS SCS (Aust) Pty. Ltd.	142,475,765	259,317,683
TVS SCS (Korea) LTD.	1,036,802,972	1,006,262,392
TVS SCS International Freight (Spain), S.L.U.	761,367,690	58,351,888
TVS SCS Logistics (Thailand) Limited	25,248,488	38,077,155
TVS SCS Deutschland Gmbh	369,358,840	241,607,067
TVS SCS New Zealand Limited	850,000,977	1,901,723,637
TVS SCS Global Freight Solutions Limited	336,519,699	50,321,097
TVS Supply Chain Solutions North America Inc	376,404,180	-
Payables	**36,997,697,554**	**61,891,657,244**
TVS Supply Chain Solutions PTE LTD	17,956,459,065	11,990,952,018
TVS SCS International Pte Ltd	-	208,478,358
TVS SCS Deutschland Gmbh	5,689,584,599	9,930,111,388
TVS SCS Malaysia Sdn Bhd	59,997,882	142,204,254
TVS SCS Singapore Pte Ltd	12,986,053,916	39,270,741,981
TVS SCS Logistics Ltd Guangzhou Branch	-	17,254,316
TVS SCS (Korea) Ltd.	217,159,493	108,075,998
TVS SCS Logistics Ltd	-	27,596,131
TVS SCS Taiwan Limited	-	6,686,950
PT. TVS SCS Indonesia	-	18,958,433
TVS SCS Global Freight Solutions Limited	6,312,122	45,814,911
TVS SCS Rico Italia Srl	22,062,545	6,934,132
TVS SCS (Aust) Pty. Ltd.	60,067,932	117,848,373

Board of Management's remuneration and borrowings

Remuneration paid to the Company's Board of Managements during the year was as follows:

		Current year	Previous year
Mr. Le Thien Thu	Salary, bonus and severance pay	1,780,915,426	1,714,869,136

22. Exchange rates:

Exchange rates used in the audited financial statements are: 24,600 VND/USD on 31 March, 2024 and 25,380 VND/USD on 31 March, 2025.

NGUYEN KHANH NGUYEN
Chief Accountant

NGUYEN XUAN THUY
General Director
May 29, 2025

PT Pan Asia Logistics Indonesia

For the period ended December 31, 2024

Laporan Auditor Independen
Independent Auditor's Report

No. : 00295/2.1127/AU.1/06/0797-1/1/VI/2025

To the Shareholders, Board of Commissioners,
and Directors
PT TVS SCS INDONESIA

Opinion

We have audited the financial statements of PT TVS SCS Indonesia ("the Company"), which comprise the statement of financial position as of December 31, 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Indonesian Financial Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements paragraph of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statement in Indonesia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of PT TVS SCS Indonesia as of December 31, 2023 and for the year then ended were audited by other independent auditor who expressed an unmodified opinion on those financial statements on May 8, 2024.

Responsibilities of Management and Those Charged With Governance For the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company financial reporting process.

Auditor's Responsibilities For the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

HENDRAWINATA HANNY ERWIN & SUMARGO

Leknor Joni, CPA
No. Ijin AP. 0797 / *License No. AP. 0797*

26 Juni 2025 / *June 26, 2025*

PT TVS SCS INDONESIA
STATEMENTS OF FINANCIAL POSITION
As of December 31, 2024 and 2023
(Expressed in Rupiah, Unless Otherwise Stated)

	Notes	2024	2023
ASSETS			
CURRENT ASSETS			
Cash on Hand and in Banks	4	8.956.812.523	14.136.154.149
Accounts Receivable			
Related Parties	5	1.455.493.502	423.860.763
Third Parties	5, 22	41.889.552.786	31.372.252.152
Advance Payments	6	4.284.853.228	3.272.812
Prepaid Expenses	7	1.318.169.788	1.267.322.208
Total Current Assets		**57.904.881.827**	**47.202.862.084**
NON-CURRENT ASSETS			
Refundable Deposits	9	978.183.743	953.159.330
Fixed Assets	10	1.310.551.456	1.552.846.357
Deferred Tax Asset	14.c.	2.072.636.900	1.835.152.944
Right of Use Assets	8	2.372.670.201	1.054.333.441
Other Non-Current Assets		--	323.263.094
Total Non-Current Assets		**6.734.042.300**	**5.718.755.166**
TOTAL ASSETS		**64.638.924.127**	**52.921.617.250**

The accompanying notes to the financial statements from an integral part of these financial statements taken as a whole

PT TVS SCS INDONESIA
STATEMENTS OF FINANCIAL POSITION
As of December 31, 2024 and 2023
(Expressed in Rupiah, Unless Otherwise Stated)

	Notes	2024	2023
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Accounts Payable			
Related Parties	11	44.036.510.531	29.567.787.493
Third Parties	11, 22	5.830.503.902	3.551.792.205
Advance From Customers	12	--	42.307.534
Accrued Expenses	13	3.600.187.925	4.927.285.669
Taxes Payable	14.a.	370.105.880	1.069.107.119
Current Maturities of Long-Term Liabilities			
Lease Liabilities	16	1.202.735.244	896.101.399
Total Current Liabilities		**55.040.043.482**	**40.054.381.419**
NON-CURRENT LIABILITIES			
Long-Term Liabilities - Net of Current Maturities			
Lease Liabilities	16	958.961.954	--
Employment Benefits Liabilities	15	6.271.550.000	6.258.316.000
Total Non-Current Liabilities		**7.230.511.954**	**6.258.316.000**
TOTAL LIABILITIES		**62.270.555.436**	**46.312.697.419**
EQUITY			
Share Capital - Par Value			
Rp1.145.500 per Shares			
Authorized Capital - 40.000 Shares			
Share Issued and Fully Paid - 10.000 Shares	17	14.415.000.000	14.415.000.000
Accumulated Other Comprehensive Income	18	2.951.787.450	1.891.843.110
Accumulated Loss		(14.998.418.759)	(9.697.923.278)
TOTAL EQUITY		**2.368.368.691**	**6.608.919.832**
TOTAL LIABILITIES AND EQUITY		**64.638.924.127**	**52.921.617.251**

The accompanying notes to the financial statements from an integral part of these financial statements taken as a whole

PT TVS SCS INDONESIA
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the Years Ended December 31, 2024 and 2023
(Expressed in Rupiah, Unless Otherwise Stated)

	Notes	2024	2023
REVENUE	19	**111.898.829.967**	**104.379.269.716**
COST OF REVENUE	20	**(89.479.277.192)**	**(80.318.868.596)**
GROSS PROFIT		**22.419.552.775**	**24.060.401.120**
Interest Income		57.668.729	225.977.568
Gain (Loss) on Foreign Exchange - Net		(1.682.670.656)	1.744.608.209
General and Administration Expenses	21	(20.887.440.569)	(26.934.201.739)
Other Income (Expenses)		(2.783.851.924)	165.448.486
Financial Expenses		(123.773.213)	(2.311.762.330)
LOSS BEFORE TAX		**(3.000.514.857)**	**(3.049.528.686)**
INCOME TAX BENEFIT (EXPENSES)			
Current Tax	14.b.	(3.187.312.480)	(3.227.826.360)
Deferred Tax	14.c.	887.331.857	853.065.533
Total IncomeTax		**(2.299.980.623)**	**(2.374.760.827)**
LOSS FOR THE YEAR		**(5.300.495.481)**	**(5.424.289.513)**
OTHER COMPREHENSIVE INCOME			
Items that Will Not be Reclassified to Profit or Loss:			
Remeasurement on Defined Benefits Plan	15	1.358.903.000	804.214.000
Related Income Tax		(298.958.660)	(176.927.080)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(4.240.551.141)**	**(4.797.002.593)**

The accompanying notes to the financial statements from an integral part of these financial statements taken as a whole

PT TVS SCS INDONESIA
STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2024 and 2023
(Expressed in Rupiah, Unless Otherwise Stated)

	Catatan/ Notes	Share Capital	Accumulated Other Comprehensive Income	Accumulated Loss	Total Equity
BALANCE AS OF DESEMBER 31, 2022		**14.415.000.000**	**1.264.556.190**	**(4.273.633.765)**	**11.405.922.425**
Loss for the Year		--	--	(5.424.289.513)	(5.424.289.513)
Other Comprehensive Income For The Year		--	627.286.920	--	627.286.920
BALANCE AS OF DECEMBER 31, 2023		**14.415.000.000**	**1.891.843.110**	**(9.697.923.278)**	**6.608.919.832**
Loss for the Year				(5.300.495.481)	(5.300.495.481)
Other Comprehensive Income For The Year			1.059.944.340	--	1.059.944.340
BALANCE AS OF DECEMBER 31, 2024		**14.415.000.000**	**2.951.787.450**	**(14.998.418.759)**	**2.368.368.691**

The accompanying notes to the financial statements from an integral part of these financial statements taken as a whole

PT TVS SCS INDONESIA
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2024 and 2023
(Expressed in Rupiah, Unless Otherwise Stated)

	Notes	2024	2023
Cash Flows From Operating Activities			
Cash Received From Customers		100.307.589.061	140.462.206.691
Cash Paid to Employees		(7.459.096.878)	(21.280.259.984)
Cash Paid to Suppliers		(90.677.402.410)	(81.598.755.943)
Cash Generated From Operations		2.171.089.773	37.583.190.764
Interest Received		57.668.729	225.977.568
Cash Paid For:			
Interest Expense		(123.773.213)	(2.311.762.330)
Taxes		(3.236.465.818)	(5.239.128.824)
Net Cash Provided From (Used in) Operating Activities		**(1.131.480.529)**	**30.258.277.178**
Cash Flows From Investing Activities			
Acquisition of Fixed Assets		(319.568.350)	(297.419.754)
Gain on Sale of Fixed Assets		--	27.027.027
Net Cash Used in Investing Activities		**(319.568.350)**	**(270.392.727)**
Cash Flows From Financing Activities			
Payment of Lease Liabilities		(2.045.622.091)	(1.109.559.604)
Payment of Related Parties		--	(28.569.040.309)
Net Cash Used in Financing Activities		**(2.045.622.091)**	**(29.678.599.913)**
Net Increase (Decrease) in Cash on Hand and in Banks		**(3.496.670.970)**	**309.284.538**
Cash on Hand and in Banks at Beginning of the Year		**14.136.154.149**	**12.109.288.429**
Effect of Foreign Exchange Rate Changes		**(1.682.670.656)**	**1.717.581.182**
Cash on Hand and in Banks at End of the Year		**8.956.812.523**	**14.136.154.149**

The accompanying notes to the financial statements from an integral part of these financial statements taken as a whole

1. GENERAL

1.a The Establishment of Company

PT Pan Asia Logistics Indonesia ("the Company") is a limited liability company established in the Republic of Indonesia on May 21, 2003 under the framework of the Foreign Capital Investment Law No. 1 year 1967 juncto No. 11 year 1970 based on Notarial Deed No. 7 of Suprapto, S.H. The deed of establishment was approved by the Ministry of Justice in its Decision Letter No. C-16593 HT.01.01.TH.2003 dated July 17, 2003. The Company's articles of association have been amended several times, the most recent being based on the notarial deed No. 78 dated January 19, 2018 of Hasbullah Abdul Rasyid, SH., MKn, in order to be in compliance with Law No. 40 of the Republic of Indonesia of year 2007 concerning Limited Liability Companies. This amendment was approved by the Ministry of Law and Human Rights in its Decision Letter No. AHU-AH.01.030034715.Tahun 2018 dated January 24, 2018.

Based on the Notarial Deed of Jimmy Tanal, S.H., MKn number 109 dated May 27, 2022 in the Resolution of the Shareholders approved to change the name of the Company from previously named PT Pan Asia Logistics Indonesia to named PT TVS SCS Indonesia. This change has been approved by the Minister of Law and Human Rights with Decree No. AHU-0105550.AH.01.11 Tahun 2022 dated June 7, 2022.

According to Article 3 of the Company's Articles of Association, the scope of the Company's activities comprises freight forwarding services. As of December 31, 2015, the Company is domiciled at Pondok Indah Office Tower 3, 6th Floor Suite #601, Jl Sultan Iskandar Muda Kav.V-TA Pondok Indah, Jakarta, Indonesia.

The Company started its commercial operations in 2003.

1.b Board of Commissioners, Directors, and Employee

The company has changed the board of management based on Deed No. 230 dated February 29, 2024 made by Hadijah, SH, A notary in Jakarta. As of December 31, 2024 and 2023, the composition of the Company's Boards of Commissioners and Directors is as follows:

	2024	2023
Commissioner	Chang Sian, Melvin	Lee Wee Beng
President director	Satya Saptaputra	Satya Saptaputra
Director	Vittorio Marino Favati	Vittorio Marino Favati

The Company had total number of employees of 32 and 34 employees in 2024 and 2023.

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES

2.a Compliance with the Financial Accounting Standards (SAK)

The financial statements were prepared and presented in accordance with Indonesian Financial Accounting Standards which include the Statements of Financial Accounting Standards ("SFAS") and Interpretation of Financial Accounting Standards ("FAS") issued by the Financial Accounting Standard Board – Indonesian Institute of Accountant ("FASB–IAI").

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.b Basis of Measurement and Preparation of Financial Statements

The Financial Statements of PT TVS SCS Indonesia have been prepared in accordance with Indonesian Financial Accounting Standards.

The financial have been prepared under the historical cost basis.

The statement of cash flow is prepared based on the direct method by classifying cash flows on the basis of operating, investing, and financing activities.

Figures in the financial statements are stated in Rupiah ("Rp"), unless otherwise stated.

The accounting policies applied are consistent with those of the annual financial statements for the year ended December 31, 2024, which conform to the Indonesian Financial Accounting Standards.

The preparation of financial statements in conformity with Indonesian Financial Accounting Standards requires the use of certain critical accounting estimates and asumptions. It also requires management to exercise its judgement in the process of applying the Company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.c Changes on Statements of Financial Accounting Standards (PSAK) and Interpretation of Financial Accounting Standards (ISAK)

Financial Accounting Standards Nomenclature

This standard regulates the new numbering for financial accounting standards applicable in Indonesia issued by the Financial Accounting Standards Board of The Indonesia Institute of Accountants ("DSAK-IAI").

The change is to distinguish the numbering of SFAS and IFAS that refer to IFRS Accounting Standards (beginning with numbers 1 and 2) and do not refer to IFRS Accounting Standards (beginning with numbers 3 and 4). This change is effective on 1 January 2024.

Effective January 1, 2024, the Company adopted new SFAS that are effective for application from that date. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective standards.

The adoption of the following new standards and amendment which are relevant to the Company's operations are follows:
Amendments to PSAK 1, Presentation of Financial Statements regarding Disclosure of Accounting Policies;

- Amendment SFAS 116 : Leases (previously SFAS 73) – Leases on sales and leaseback;
- Amendment SFAS 201 : Presentation of financial statements (previously SFAS 1) - Non-current Liabilities with Covenants;
- Amendment SFAS 207 : Cash flow statements (previously SFAS 2) and SFAS 107, Financial instrument: Disclosure (previously SFAS 60) – Supplier finance arrangements.

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.c Changes on Statements of Financial Accounting Standards (PSAK) and Interpretation of Financial Accounting Standards (ISAK) (Continued)

Impact of adoption these new accounting standards are follows:

- Amendment SFAS 116 : Leases (previously SFAS 73) – Leases on sales and leaseback;

  DSAK IAI issued agenda decision by the IFRS Interpretations Committee addressing how a seller-lessee should measure the right-of-use asset arising from the leaseback and, as a result, how it should determine the gain or loss on a sale and leaseback transaction where the transaction qualified as a 'sale' under SFAS 115 and lease payments include variable lease payments that do not depend on an index or rate. While the agenda decision provided an approach for the initial measurement of the right-of-use asset and the lease liability arising from the leaseback, it did not address how the lease liability would be subsequently measured.

  The amendments to SFAS 116 issued in November 2022, aim to address that gap. SFAS 116 now specifies that, in subsequently measuring the lease liability, the seller-lessee determines 'lease payments' and revised lease payments' in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that is related to the right of use it retains.

  In other words, without these amendments, a seller-lessee, applying the subsequent measurement requirements for lease liabilities unrelated to a sale and leaseback transaction, might have recognized a gain on the right of use it retains solely because of a remeasurement (for example, following a lease modification or change in the lease term), even though no transaction or event would have occurred to give rise to that gain.

- Amendment SFAS 201 : Presentation of financial statements (previously SFAS 1) - Non-current Liabilities with Covenants;

  SFAS 101 'Presentation of financial statements' requires that, for an entity to classify a liability as non-current, the entity must have the right at the reporting date to defer settlement of the liability for at least twelve months after that date.

  An entity classifies a liability arising from a loan arrangement as non-current and that liability is subject to the covenants which an entity is required to comply with within twelve months of the reporting date, the entity shall disclose information in the notes that enables users of financial statements to understand the risk that the liability could become repayable within twelve months of the reporting period, including:
  (a) the carrying amount of the liability;
  (b) information about the covenants;
  (c) facts and circumstances, if any, that indicate the entity may have difficulty complying with the covenants. Such facts and circumstances could also include the fact that the entity would not have complied with the covenants based on its circumstances at the end of the reporting period.

- Amendment SFAS 207 : Cash flow statements (previously SFAS 2) and SFAS 107, Financial instrument: Disclosure (previously SFAS 60) – Supplier finance arrangements.

  On December 1, 2023, the IFASB issued amendments to SFAS 207 and SFAS 107 to require specific disclosures about Supplier Finance Arrangements (SFAs). The amendments respond to investors that said they urgently need more information about SFAs to be able to assess how these arrangements affect an entity's liabilities, cash flows and liquidity risk.

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.c Changes on Statements of Financial Accounting Standards (PSAK) and Interpretation of Financial Accounting Standards (ISAK) (Continued)

Impact of adoption these new accounting standards are follows: (Continued)

- Amendment SFAS 207 : Cash flow statements (previously SFAS 2) and SFAS 107, Financial instrument: Disclosure (previously SFAS 60) – Supplier finance arrangements. (Continued)

  To meet investor's needs, the new disclosures will provide information about:
  1) The terms and conditions of SFAs.
  2) The carrying amount of financial liabilities that are part of SFAs and the line items in which those liabilities are presented.
  3) The carrying amount of the financial liabilities in (2) for which suppliers have already received payment from the finance providers.
  4) The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.
  5) Non-cash changes in the carrying amounts of financial liabilities in (2).
  6) Access to SFA facilities and concentration of liquidity risk with the finance providers.

Certain new accounting standards and interpretations have been published that are not mandatory for the year ended December 31, 2024 and have not been early adopted by the Company, are discussed in Note 24.

2.d Transaction with Related Parties

A related party is a person or an entity that is related to the reporting entity:

a. A person or immediate family member is related to a reporting entity if that person:

   i. Has control or joint control over the reporting entity;
   ii. Has significant influence over the reporting entity; or
   iii. Member of the key management personnel of the reporting entity or of a parent of the reporting entity.

b. An entity is related to the reporting entity if any of the following conditions applies:

   i. The entity and the reporting entity are members of the same Company (which means that each parent, subsidiary and fellow subsidiary is related to the others);
   ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Company of which the other entity is a member);
   iii. Both entities are joint ventures of the same third party;
   iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
   v. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity, or an entity related to the reporting entity. If the reporting entity in itself such a plan, the sponsoring employers are also related to the reporting entity;
   vi. The entity is controlled or jointly controlled by a person identified in (a); or;
   vii. A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or a parent of the entity);
   viii. The entity, or any member of a Company which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.d Transaction with Related Parties (Continued)

Significant transactions with related parties, whether or not made at similar terms and conditions as those done with third-parties are disclosed in the financial statements (Note 22).

2.e Foreign Currency Transaction and Balances

The individual financial statements of each Company entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Company are presented in Rupiah, which is the functional currency of the Company and the presentation currency for the financial statements.").

In preparing the financial statements of the Company entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

As at December 31, 2024 and 2023, the conversion rates used by the Company were the middle rates of Bank Indonesia amounting to:

	2024	2023
Dolar Amerika Serikat (USD)	16.162	15.416
Dolar Singapore (SGD)	11.919	11.712
Pound Sterling (GBP)	20.333	19.760
Australian Dollar (AUD)	10.082	10.565
Euro (EUR)	16.851	17.140
Franc Swiss (CHF)	17.921	18.374
Krone Denmark (DKK)	2.259	2.299
Yuan (CNY)	2.214	2.170
Canadian Dollar (CAD)	11.225	11.689

2.f Financial Assets

1. Classification

The Company classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.f Financial Assets

2. Measurement

At initial recognition, the Company 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 that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instrument
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

The Company classifies its debt instruments: Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired.

Interest income from these financial assets is included in finance income using the effective interest rate method.

2.g Derecognition of Financial Assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

In contrast, on derecognition of an investment in an equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.h Impairment of Financial Asset

The Company applies the "simplified approach" to measure the Expected Credit Loss ("ECL") which uses a lifetime expected loss allowance on a forward-looking basis for all account receivables and contract assets without significant financing component. Other than account receivables and contract assets without significant financing component, the Company applies general model to ensure ECL.

Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor; or
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

The Company assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Write-off policy

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade accounts receivable, when the amounts are over 120 days past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

2.i Cash on Hand and in Banks

In the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.j Account Receivables

Account receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.j Account Receivables (Continued)

Account receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, if the impact of discounting is significant, less any provision for impairment.

2.k Advance and Prepayments

Prepaid expenses are amortized over their beneficial periods using the straight-line method.

Advances is part of contractually due that is paid or received in advance for goods or services. Advances are recorded as asset on the statements of financial position.

2.l Fixed Assets

Fixed assets are initially recognized at cost, which comprises its acquisition cost and any cost directly attributable in bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

After initial recognition fixed assets except land are carried at its cost less any accumulated depreciation and accumulated impairment losses.

Depreciation of fixed assets has been computed on a straight-line method, based on the estimated useful lives of the related assets, as follows:

	Years
Assets	
Office Equipment	4
Furniture and Fittings	4
Computers	4
Vehicle	8

The assets' residual values, useful lives and depreciation method are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Net gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "other (losses)/gains - net" in the profit or loss.

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.m Impairment of Non-Financial Asset

At the end of each reporting period, the Company reviews the carrying amount of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset maybe impaired.

Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of the non-financial asset (cash generating unit) is less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount and an impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.n Financial Liabilities

Financial liabilities are classified as either financial liabilities “at FVTPL” or “at amortized cost” using the effective interest method.

Financial liabilities at amortized cost

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL, are subsequently measured at amortized cost using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period to the net carrying amount on initial recognition.

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.o Derecognition of Financial Liabilities

The Company derecognizes financial liabilities when, and only when, the Company obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When the Company exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability.

It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognized in profit or loss as the modification gain or loss within other gains and losses.

2.p Account Payables

Account payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Account payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.q Leases

The Company as lessee:

The Company assesses whether a contract is or contains a lease, at the inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate specific to the lessee.

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.q Leases (Continued)

The Company as lessee: (Continued)

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Company and the lease does not benefit from a guarantee from the Company.

Lease payments included in the measurement of the lease liability comprise:
- Fixed lease payments (including in substance fixed payments), less any lease incentives
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect the interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurements of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying assets to the conditions required by the terms and conditions of the lease, a provision is recognized and measured under SFAS 57. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

The Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying assets. If a lease transfers ownership of the underlying assets or the cost of the right-of-use assets reflects that of the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying assets. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies SFAS 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the impairment of assets policy.

Variable rents that do not depend on an index or rate are not included in the measurements of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occur and are included in the line "General and administrative expenses" in the statement of profit or loss and other comprehensive income.

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.q Leases (Continued)

The Company as lessee: (Continued)

If a lease agreement does not meet the recognition criteria for a Right-of-Use (ROU) Asset under PSAK 116, the Company recognizes lease payments as rental expenses in the profit or loss statement on a straight-line basis or another systematic basis, over a specific period. If payments are made in advance, the Company records them as prepaid rent and amortizes them over the related benefit period. This approach is applied consistently in accordance with the principles of materiality and the economic substance of the transaction.

2.r Employee Benefits

Short-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefit expected to be paid in exchange for that service.

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Defined benefit plans

In April 2022, IFASB (Institute of Indonesia Chartered Accountants' Accounting Standard Board) issued an explanatory material through a press release regarding attribution of benefits to periods of service in accordance with SFAS 24: "Imbalan Kerja" which was adopted from IAS 19 Employee Benefits. The explanatory material conveyed the information that the fact pattern of the pension program based on the Labor Law currently enacted in Indonesia is similar to those responded and concluded in the IFRS Interpretation Committee ("IFRIC") Agenda Decision Attributing Benefit to Periods of Service (IAS 19).

The Company established a defined benefit pension plan covering all the local permanent employees. In addition, the Company also provides post-employment benefits as required under Labor Law No. 11 of year 2020 on Job Creation (Job Creation Law). For normal pension scheme, the Company calculates and recognizes the higher of the benefits under the Job Creation Law and those under such pension plan.

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest), are recognized immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurements recognized in other comprehensive income are reflected immediately in "retained earnings".

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.r Employee Benefits (Continued)

Defined benefit plans (Continued)

Past service cost is recognized in profit or loss when the plan amendment or curtailment occurs, or when the Company recognizes related restructuring costs or termination benefits, if earlier. Net interest is calculated by applying a discount rate to the net defined benefit liability or asset. Defined benefit costs are in to three categories:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)
- Net interest expense or income
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Termination

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

2.s Revenue and Expense Recognition

The Company has applied SFAS 115, which requires revenue recognition to fulfill 5 steps of assessment:

1) Identify contract(s) with a customer.
2) Identify the performance obligations in the contract. Performance obligations are promises in a contract to transfer to a customer goods or services that are distinct.
3) Determine the transaction price. Transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. If the consideration promised in a contract includes a variable amount, the Company estimates the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to a customer less the estimated amount of service level guarantee which will be paid during the contract period.
4) Allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct goods or services promised in the contract. Where these are not directly observable, the relative stand- alone selling price are estimated based on expected cost plus margin.
5) Recognize revenue when performance obligation is satisfied by transferring a promised goods or services to a customer (which is when the customer obtains control of that goods or services).

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.s Revenue and Expense Recognition (Continued)

A performance obligation may be satisfied at the following:
a. A point in time (typically for promises to transfer goods to a customer); or
b. Over time (typically for promises to transfer services to a customer). For a performance obligation satisfied over time, the Company selects an appropriate measure of progress to determine the amount of revenue that should be recognised as the performance obligation is satisfied.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Service Revenues and Cost of Services

Revenue and operating costs on freight forwarding operations are recognized as income and expenses, respectively, by reference to the percentage of completion of the voyage as at reporting date. Payments received in advance are recognized as "Unearned Revenues", which is presented under the current liabilities section of the statements of financial position.

Expenses Recognition

Expenses are recognized when services from other parties have been received by the Company based on an agreement or contract. Likewise, unidentified value of the expenses up to the closing period, an estimate is made by the technical unit, and is recognized as accrued costs.

2.t Interest Income

Interest income from financial assets at FVPL is included in the net fair value gains/(losses) on these assets. Interest income on financial assets at amortized cost and financial assets at FVOCI calculated using the effective interest method is recognized in the statement of profit or loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income.

2.u Current and Deferred Income Tax

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognized for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.u Current and Deferred Income Tax (Continued)

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Such deferred tax assets and liabilities are not recognized if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary differences arises from the initial recognition of goodwill.

Deferred income tax is recognized, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on the tax rates (and tax laws) that have been enacted, or substantively enacted, by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of their assets and liabilities.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside of profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognized outside of profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

2.v Share Capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

2.w Contingencies

Contingent liabilities are not recognized in the financial statements but are disclosed in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable.

2. INFORMATION OF MATERIAL ACCOUNTING POLICIES (Continued)

2.x Provision

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.y Events After the Reporting Period

Post year-end events that provide additional information about the Company and its Subsidiaries' positions at the reporting date (adjusting events) are reflected in the financial statements when material. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

3.a Critical Accounting Estimates and Assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next 12 months are addressed below.

1. The use of going concern assumption

   In the process of applying the Company's accounting policies, apart from those involving estimations, management has prepared the consolidated financial statements on the assumption that the Company will be able to operate as a going concern in the coming years, which is a critical judgement that has the most significant effect on the amounts recognized in the consolidated financial statements. The assessment of the going concern assumption involves making a judgement by the management, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain.

   The Company's management considers that the Company has the capability to continue as a going concern and the major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt upon the going concern.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

3.a Critical Accounting Estimates and Assumptions (Continued)

2. Revenue recognition

   The Company uses the percentage-of completion of the voyage in accounting for its fixed-price contracts to deliver design services. The use of the percentage-of completion method requires the Company to estimate the services performed to date as a proportion of the total services to be performed.

3. Pension Benefits
   The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate and future salary increase. Any changes in these assumptions will have an impact on the carrying amount of pension obligations.

   The Company determines the appropriate discount rate and future salary increase at the end of each reporting period. The discount rate is interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation.

   For the rate of future salary increases, the Company collects all historical data relating to changes in base salaries and adjusts it for future business plans.

   Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 15.

3.b Critical Judgements In Applying the Entity's Accounting Policies

1. Estimation of Lease Term

   When estimating the lease term of the respective lease arrangement, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option, including any expected changes in facts and circumstances from the commencement date until the exercise date of the option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

2. Functional Currency

   The Company considers some factors in determining its functional currency, among others, the currency that mainly influences the revenue, cost and financing activities, and the currency in which receipts from operating activities are usually retained.

   The functional currency of the Company is the currency of the primary economic environment in which each entity operates.

   Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency has been determined to be Indonesian Rupiah (IDR), as this reflected the fact that majority of the Company's operational businesses are influenced by pricing in local economic environment.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

3.b Critical Judgements In Applying the Entity's Accounting Policies (Continued)

3. Calculation of Expected Credit Loss

When measuring ECL, the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As of December 31, 2024 and 2023, allowance for expected credit loss on the Company receivables is amounting to Rp3.149.526.821 and Rp488.337.200 (Note 5).

4. Impairment of Fixed Assets

SFAS requires that an impairment review be performed on fixed assets when events or changes in circumstances indicate that the carrying amount may not be recoverable.

Determining the net recoverable amount of assets requires the estimation of cash flows expected to be generated from the continued use and ultimate disposition of such assets. While it is believed that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable amounts and any resulting impairment loss could have a material adverse impact on the results of operations.

As at December 31, 2024 and 2023, there was no allowance for impairment losses recognized on the Company fixed assets (Notes 10).

5. Useful Life on Non-Financial Assets

The useful life of each item of the Company's fixed asset is estimated based on the period over which the asset is expected to be available for use. Such estimation is based on internal technical evaluation and experience with similar assets. The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the asset. It is possible, however, that future results of operations could be materially affected by changes in the amounts and timing of recorded expenses brought about by changes in the factors mentioned above.

A change in the estimated useful life of any item of fixed assets would affect the recorded depreciation and amortization expense, respectively, and decrease in the carrying values of these assets.

The carrying values of fixed assets is disclosed in Notes 10.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

3.b Critical Judgements In Applying the Entity's Accounting Policies (Continued)

6. Determining Fair Value of Financial Instruments

   Management uses valuation techniques, including the discounted cash flow model in measuring the fair value of financial instruments where active market quotes are not available.

   In applying the valuation techniques, management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

7. Income tax

   Significant judgment is involved in determining the provision for corporate income tax. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for expected corporate income tax issues based on estimates of whether additional corporate income tax will be due.

   Determining provision for corporate income tax requires significant judgment by management. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for expected corporate income tax issues based on estimates of whether additional corporate income tax will be due. Where the final tax outcome of these matters is different from the amount that are initially recorded, such differences will have an impact on the current and deferred tax assets and liabilities in the period in which such determination is made.

8. Realization of Deferred Tax Assets

   The Company conducted a review of the carrying amount of deferred tax assets at each end of reporting period and reduce the value of such assets by as much as possible which cannot be realized, where the availability of taxable income allows to use all or part of the deferred tax assets. The Company's review on the recognition of deferred tax assets for deductible temporary difference can be deductible based on the level and timing from the estimated taxable income for the next reporting period. The estimation is based on the achievement of the Company in the past and future expectation toward income and expenses, as well as with the tax planning strategies in the future. But there is no certainty that the Company can generate sufficient taxable income to allow to use part or all of these deferred tax assets.

9. Provisions and Contingencies

   The Company, in the ordinary course of business, sets up appropriate provisions for its present legal or constructive obligations, if any, in accordance with its policies on provisions and contingencies. In recognizing and measuring provisions, management takes risk and uncertainties in to account.

   The Company has not recognized any provision as at December 31, 2024 and 2023.

4. CASH ON HAND AND IN BANKS

	2024	2023
Cash on Hand	14.100.000	14.100.000
Bank		
Rupiah		
PT Bank Mandiri (Persero), Tbk	5.891.851.162	4.554.167.835
PT Bank DBS Indonesia	275.526.051	--
PT Bank CIMB Niaga, TBk	37.503.773	8.578.440.860
Dollar		
PT Bank DBS Indonesia	2.734.931.216	--
PT Bank CIMB Niaga, Tbk	1.215.221	968.438.670
Euro		
PT Bank CIMB Niaga, Tbk	1.685.100	21.006.784
Total	**8.956.812.523**	**14.136.154.149**

Cash in banks can be withdrawn at any time.

All accounts in banks earn interest at floating rates based on the offered rate from each bank.

The Company does not have a related party relationship with the banks where cash and cash equivalents are placed.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents is disclosed in Note 23.

As of December 31, 2024 and 2023, there is no balance of cash on hand and cash in banks which is pledged as collateral and restricted in use.

5. ACCOUNT RECEIVABLES

	2024	2023
Related parties:		
TVS SVS Singapore Pte Ltd	240.942.030	143.105.495
TVS SCS Global Freight Solution Limited	1.075.133.442	188.917.068
TVS SCS Logistics (Thailand) Limited	108.670.056	--
TVS SCS Vietnam Company Limited	17.269.351	--
TVS SCS Logistics Management Co Ltd	9.405.799	--
TVS SCS Philippines Corporation	3.830.394	--
TVS SCS New Zealand Limited	242.430	--
TVS SCS Malaysia Sdn Bhd	--	51.863.124
TVS SCS Deutschland Gmbh	--	29.622.461
TVS SCS (Aust) Pty. Ltd	--	10.352.615
Total Related Parties	**1.455.493.502**	**423.860.763**

5. ACCOUNT RECEIVABLES (Continued)

	2024	2023
Third Parties:		
PT Siemens Indonesia	11.419.960.143	9.337.516.105
PT TVS Motor Company Indonesia	5.071.307.848	3.420.092.067
Toyota Motor Asia (Singapore) Pte Ltd	2.737.516.489	--
PT Sionchem Global Indo	2.465.323.866	1.303.941.151
PT Sejahtera Mandiri	2.018.794.467	521.971.200
PT Mead Johnson Indonesia	1.863.183.875	--
PT Andritz	1.645.446.624	600.340.385
PT Siemens Energy Indonesia	1.588.630.252	3.360.009.386
PT IDS Medical Systems Indonesia	1.205.056.734	480.553.961
PT Reckitt Benckiser Indonesia	807.711.566	--
PT Innomotics Motors and Solution	945.108.046	590.380.703
PT Berca Mandiri Perkasa	928.037.251	--
PT Reckitt Benckiser Trading Indonesia	922.965.631	--
PT Altrak 1978	745.310.036	--
PT Yahya Crystal International	670.819.242	411.198.650
CV Fadli Indah Jaya	560.397.643	560.397.643
PT Kino Indonesia Tbk	532.978.620	201.289.405
PT Perigi Raja Terpadu	510.305.155	253.624.934
PT Siemens Healthineers Indonesia	--	758.187.989
PT Tawada Healthcare	--	757.681.931
PT Inbisco Niagatama Semesta	--	743.342.400
PT Siemens Mobility Indonesia	--	733.989.410
Toyota Motor Asia Pacific Pte Ltd	--	656.767.077
PT Duta Intidaya Tbk	--	627.604.396
PT Autoline Jaya Motor	--	574.157.315
Others (each below Rp500,000,000)	8.400.226.119	5.967.543.244
Subtotal	**45.039.079.607**	**31.860.589.352**
Provision for doubtful debts	(3.149.526.821)	(488.337.200)
Total Third Parties	**41.889.552.786**	**31.372.252.152**
Total Account Receivables	**43.345.046.288**	**31.796.112.915**

The analysis of accounts receivable aging is as follows:

	2024	2023
1 -30 days	28.827.183.014	10.643.839.201
31 - 60 days	4.571.741.428	12.385.169.041
More than 60 days	11.640.155.165	8.831.581.110
Total	**45.039.079.607**	**31.860.589.352**

The management believes that allowance for doubtful, were adequate to cover the possibility of losses account receivables.

6. ADVANCE PAYMENT

This account is the operational costs paid for the operational requirements of customer field projects amounting to Rp4,284,853,228 and Rp3,272,812.

7. PREPAID EXPENSES

	2024	2023
Rent	832.139.509	624.752.684
Insurance	414.033.446	341.988.035
Payroll tax	--	159.578.979
Other	71.996.833	141.002.510
Total	**1.318.169.788**	**1.267.322.208**

8. RIGHT OF USE ASSETS

	2024			
	Beginning	**Addition**	**Deductions**	**Ending**
Acquisition Cost:				
Office leases	3.405.821.319	2.477.895.918	3.405.821.319	2.477.895.918
Total	**3.405.821.319**	**2.477.895.918**	**3.405.821.319**	**2.477.895.918**
Accumulated depreciation:				
Office leases	2.351.487.878	1.159.559.158	3.405.821.319	105.225.717
Total	**2.351.487.878**	**1.159.559.158**	**3.405.821.319**	**105.225.717**
Net Book Value	**5.757.309.197**			**2.372.670.201**

	2023			
	Beginning	**Addition**	**Deductions**	**Ending**
Acquisition Cost:				
Office leases	3.405.821.319	--	--	3.405.821.319
Total	**3.405.821.319**	**--**	**--**	**3.405.821.319**
Accumulated depreciation:				
Office leases	1.202.736.517	1.148.751.361	--	2.351.487.878
Total	**1.202.736.517**	**1.148.751.361**	**--**	**2.351.487.878**
Net Book Value	**2.203.084.802**			**1.054.333.441**

9. REFUNDABLE DEPOSITS

	2024	2023
Rent Building Deposits	524.805.950	523.102.430
Bank Guarantee	237.000.000	250.000.000
Line Telephone	24.000.000	24.000.000
Deposit For Warehouse	270.000	736.020
Others	192.107.793	155.320.880
Total	**978.183.743**	**953.159.330**

10. FIXED ASSETS

	2024			
	Beginning	**Addition**	**Disposal**	**Ending**
Acquisition Costs				
Office Equipment	291.611.105	--	675.000	290.936.105
Computers	1.416.711.207	21.070.350	727.546.707	710.234.850
Furniture & Fittings	2.231.425.831	3.598.000	--	2.235.023.831
Vehicle	899.840.000	294.900.000	365.040.000	829.700.000
Total	**4.839.588.143**	**319.568.350**	**1.093.261.707**	**4.065.894.786**
Accumulated Depreciation				
Office Equipment	287.159.370	1.614.333	675.000	288.098.703
Computers	1.117.981.247	123.748.319	727.546.707	514.182.859
Furniture & Fittings	1.142.448.689	370.125.599	--	1.512.574.288
Vehicle	739.152.480	66.375.000	365.040.000	440.487.480
Total	**3.286.741.786**	**561.863.251**	**1.093.261.707**	**2.755.343.330**
Net Book Value	**1.552.846.357**			**1.310.551.456**

	2023			
	Beginning	**Addition**	**Disposal**	**Ending**
Acquisition Costs				
Office Equipment	514.210.805	--	222.599.700	291.611.105
Computers	1.265.748.207	150.963.000	--	1.416.711.207
Furniture & Fittings	2.084.969.077	146.456.754	--	2.231.425.831
Vehicle	899.840.000	--	--	899.840.000
Total	**4.764.768.089**	**297.419.754**	**222.599.700**	**4.839.588.143**
Accumulated Depreciation				
Office Equipment	505.825.988	3.933.082	222.599.700	287.159.370
Computers	990.357.268	127.623.979	--	1.117.981.247
Furniture & Fittings	778.482.333	363.966.356	--	1.142.448.689
Vehicle	672.302.480	66.850.000	--	739.152.480
Total	**2.946.968.069**	**562.373.417**	**222.599.700**	**3.286.741.786**
	1.817.800.020			**1.552.846.357**

Fixed assets depreciation expense of Rp561,863,251 and Rp562,373,417 as of December 31, 2024 and 2023 are allocated to general and administrative expenses.

10. FIXED ASSETS (Continued)

Gain on disposal of fixed assets are as follows:

	2024	2023
Acquisition Cost	1.093.261.707	222.599.700
Accumulated Depreciation	(1.093.261.707)	(222.599.700)
Net Book Value	--	--
Sales Price	--	(27.027.027)
Gain On Fixed Assets Disposal	**--**	**(27.027.027)**

Based on evaluation of the company's management, there are no significant events or changes in circumstances which may indicate impairment in value of fixed assets as of December 31, 2024 and 2023.

As of December 31, 2024 and 2023, property and equipment in the form of office equipment, computers and furniture have been insured to PT KSK Insurance with sum insured amounting to Rp1,605,682,350 and Rp1,605,682,350. Management believes that the estimated recoverable amount is greater than the carrying value of property and equipment. Therefore, there is no impairment on the insured assets.

11. TRADE PAYABLES

	2024	2023
Related Parties:		
TVS SCS Singapore Pte. Ltd.	35.745.095.284	22.879.307.446
TVS Supply Chain Solutions Pte Ltd	4.678.803.925	4.847.446.652
TVS SCS Malaysia Sdn Bhd	1.358.887.546	361.567.481
TVS SCS Global Freight Solutions Limited	848.916.000	147.104.867
TVS SCS Deutschland Gmbh	751.078.559	776.992.374
TVS SCS Logistics Ltd.	330.025.464	362.353.392
TVS SCS Logistics Ltd Guangzhou Branch	117.659.522	37.499.266
TVS SCS Taiwan Limited	64.324.760	55.728.840
TVS Supply Chain Los Angeles Branch	38.772.638	--
TVS SCS Hong Kong Limited	29.954.328	13.217.678
TVS SCS (Korea) Ltd.	25.899.928	16.117.428
TVS Supply Chain Solutions North America Inc Atlanta Branch	10.754.033	--
TVS SCS Philippines Corporation	8.889.100	--
TVS SCS Logistics (Thailand) Limited	8.081.000	60.274.710
TVS SCS (Aust) Pty. Ltd	6.222.106	--
TVS SCS Vietnam Company Limited	4.767.790	--
TVS SCS Rico Italia SRL	4.549.770	--
TVS SCS International Freight (Spain), S.L.U.	3.828.778	--
Other (Each Below Rp10,000,000)	--	10.177.359
Total Related Parties	**44.036.510.531**	**29.567.787.493**

11. TRADE PAYABLES (Continued)

	2024	2023
Third Parties:		
PT Perigi Raja Terpadu	2.472.690.939	377.111.234
D-Log Brasil Operador Logistico Multimodal Ltda	918.863.519	732.251.521
PT TVS Motor Company Indonesia	441.677.100	--
Streck Transport Ag	367.781.664	248.635.428
PT Solusi Express Logistics	331.772.382	--
Cost Operation Pal - AI - Jkt	128.321.359	--
PT Forin Maju Logistik	128.208.086	293.760.954
PT Perkasa Adi Yuda	106.838.638	--
Cost Operation Pal - Cc - Jkt	--	621.448.061
Scan Global Logistics	--	265.023.547
Uniserve Ltd (Airfreight)	--	145.971.536
PT Metropolitan Kentjana Tbk	--	1.158.683
Others (Each Below Rp100,000,000)	934.350.214	866.431.240
Total Third Parties	**5.830.503.902**	**3.551.792.204**
Total Account Payables	**49.867.014.433**	**33.119.579.697**

12. ADVANCE FROM CUSTOMER

The Company received advance from customer amounting to Nil and Rp42,307,534 for the year ended December 31, 2024 and 2023, respectively.

13. ACCRUED EXPENSES

	2024	2023
Accrual - Job Costing	1.627.422.466	1.848.301.341
Provision for Professional Fee	952.873.841	402.054.644
Provision for Taxation	552.361.550	370.119.781
Provision for Bonus	--	1.557.983.587
Others (Each Below Rp200,000,000)	467.530.068	748.826.316
Total	**3.600.187.925**	**4.927.285.669**

14. TAXATION

a. Taxes Payable

	2024	2023
Tax Article 21	52.743.844	248.633.155
Tax Article 23	198.104.924	148.151.472
Value Added Tax Out	119.257.112	116.433.131
Tax Article 29	--	555.889.361
Total	**370.105.880**	**1.069.107.119**

b. Tax Expenses

The reconciliation between tax benefit (expense) and the theoretical tax amount on the company's profit for the years ended December 31, 2024 and 2023 is as follows:

	2024	2023
Profit Before Income Tax Expense	**(3.000.514.857)**	**(3.049.528.686)**
Temporary Differences:		
- Impairment of Receivables	2.667.192.122	(165.448.486)
- Employee Benefit	1.372.137.000	5.875.949.060
Permanent Differences:		
- Benefit in kind	963.629.065	2.739.738.336
- Income Already Subject to Final Tax	--	95.709.423
- Non Deductible Expenses	12.485.341.053	9.175.519.080
Fiscal Profit	**14.487.784.382**	**14.671.938.727**
Rounded	**14.487.784.000**	**14.671.938.000**
Income Tax Expense	**3.187.312.480**	**3.227.826.360**
Less Prepaid Tax:		
- Income Tax Article 23	(1.171.570.288)	(1.230.846.866)
- Income Tax Article 25	(2.015.742.243)	(1.441.090.133)
Corporate Income Tax	**(51)**	**555.889.361**

c. Deffered Tax

	2024				
	Beginning	Charged to Income or Loss	Charged to Other Comprehensive Income	Adjustment	Ending
Asset (liability)					
Employee Benefit	1.688.355.020	301.870.140	(298.958.660)	(311.525.500)	1.379.741.000
Impairment for Receivables	146.797.924	585.461.717	--	(39.363.741)	692.895.900
Total	**1.835.152.944**	**887.331.857**	**(298.958.660)**	**(350.889.241)**	**2.072.636.900**

14. TAXATION (Continued)

c. **Deffered Tax** (Continued)

	2023				
	Beginning	**Charged to Income or Loss**	**Charged to Other Comprehensive Income**	**Adjustment**	**Ending**
Asset (Liability)					
Employee Benefit	1.015.181.640	850.100.460	(176.927.080)	--	1.688.355.020
Impairment for Receivables	143.832.851	2.965.073	--	--	146.797.924
Total	**1.159.014.491**	**853.065.533**	**(176.927.080)**	**--**	**1.835.152.944**

15. EMPLOYEE BENEFIT LIABILITY

Employee benefit liability as of December 31, 2024 and 2023 in accordance with PSAK 24 Employee Benefit was calculated by an independent actuary Actuarial Consultant Office Yusi and Partners, whose report dated April 24, 2024 used the "Projected Unit Credit" method with consideration of the following key assumptions:

	2024	**2023**
Discount Rate	6.88 - 7.13 p.a.	6,37 - 7,10 p.a.
Salary Increment Rate	8% p.a.	
Mortality	TMI' 19	
Disability	10% of Mortality Rate	
Resignation Rate	6% For Employee Before the Age of 30 And will Decrease to 0% at the Age 55	

The employee benefits expense recognized in the statement of comprehensive income are as follows:

	2024	**2023**
Current Service Cost	919.821.000	753.799.000
Interest Cost	383.965.000	293.597.000
Past Service Cost	280.418.000	2.922.614.000
Benefit Paid	(212.067.000)	--
Current Service Cost	**1.372.137.000**	**3.970.010.000**
Remeasurement on the net defined benefit liability:		
Actuarial Gains and Losses Arising from Changes in Financial Assumptions	(74.248.000)	82.472.000
Actuarial Gains and Losses Arising from Changes Experience Adjustments	(1.284.655.000)	(886.686.000)
Compenents of Defined Benefit Costs Recognized Other Comprehensive Income	**(1.358.903.000)**	**(804.214.000)**
Total	**13.234.000**	**3.165.796.000**

15. EMPLOYEE BENEFIT LIABILITY (Continued)

Amounts recognized in statement of financial position with respect to these post-employment benefits are as follows:

	2024	2023
Present Value of Benefit Obligations	6.271.550.000	6.258.316.000
Employment Benefit Liability	**6.271.550.000**	**6.258.316.000**

Movements of employee benefit liability were as follows:

	2024	2023
Net Defined Benefit Assets Liability at Start of The Year	6.258.316.000	4.508.545.000
Net Expenses Recognized in The Income Statement	1.584.204.000	3.970.010.000
Total Amount Recognized in Other Comprehensive Income	(1.358.903.000)	(804.214.000)
Benefit Paid During the Year	(212.067.000)	(1.416.025.000)
Net Defined Benefit Liability (Assets)	**6.271.550.000**	**6.258.316.000**

16. LEASE LIABILITIES

	2024	2023
Current Maturities of Long Term Debts Lease Liabilities		
- Rent Office Building	1.202.735.244	896.101.399
Subtotal	**1.202.735.244**	**896.101.399**
Long Term Debts Net of Current Maturities Lease Liabilities		
- Rent Office Building	958.961.954	--
Subtotal	958.961.954	--
Portion Due Within One Year	**2.161.697.198**	**896.101.399**

17. CAPITAL STOCK

Based on Notarial Deed of Jimmy Tanal, S.H., MKn No. 109 dated May 27, 2022 in the Resolution of the Shareholders approving the change of shareholders' names. This amendment has been approved by the Minister of Law and Human Rights with Decree No. AHU-0105550.AH.01.11 Year 2022 dated June 7, 2022. The shareholder composition in 2024 and 2023 will be as follows:

	2024 and 2023		
Name of Shareholders	**Number of Shares**	**Percentage of Ownership**	**Paid-up Capital Stock**
TVS SCS Singapore., Pte, Ltd	9.000	90%	12.973.500.000
Andre Rahadian	1.000	10%	1.441.500.000
Total	**10.000**	**100%**	**14.415.000.000**

18 ACCUMULATED OTHER COMPREHENSIVE INCOME

	2024	2023
Beginning Balance	1.891.843.110	1.264.556.190
Remeasurement of Post Employment Benefits	1.358.903.000	804.214.000
Related Income Tax	(298.958.660)	(176.927.080)
Total	**2.951.787.450**	**1.891.843.110**

19. REVENUE

	2024	2023
Air Import	31.123.350.467	38.289.986.982
Sea Export	41.960.458.918	20.353.169.374
Custom Clearance	13.164.253.724	18.017.502.991
Sea Import	18.633.459.297	11.045.569.256
Domestic Transport	1.948.988.720	10.606.534.143
Air Export	3.825.747.273	4.901.570.160
Warehouse	1.242.571.568	1.164.936.810
Total	**111.898.829.967**	**104.379.269.716**

20. COST OF REVENUE

	2024	2023
Sea Export	38.129.895.020	16.252.249.401
Air Import	22.552.649.814	7.930.296.829
Sea Import	12.671.556.927	30.357.442.314
Custom Clearance	10.545.799.915	11.964.317.766
Domestic Transport	1.707.937.974	9.487.586.419
Warehouse	848.951.270	746.438.233
Air Export	3.022.486.271	3.580.537.634
Total	**89.479.277.192**	**80.318.868.596**

21. GENERAL AND ADMINISTRATIVE EXPENSES

	2024	2023
Salaries, Bonuses and Benefits	7.239.057.602	8.445.107.083
Office Expenses	4.035.260.103	2.986.920.627
Management Fee	2.042.759.132	5.117.509.498
Staff Pension Fund	1.372.137.000	3.708.727.373
Taxes	1.209.865.643	1.345.141.647
Amortization	1.159.559.158	1.148.751.361
Rent	1.746.195.192	973.779.339
Professional Fee	344.956.485	1.511.756.963
Depreciation	561.863.251	562.373.417
Repairs and Maintenance	135.138.038	208.748.547
Others (Each Below Rp300.000.000)	1.040.648.965	925.385.884
Total	**20.887.440.569**	**26.934.201.739**

22. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The nature of transactions and relationships with related parties were as follows:

Name of Related Parties	Nature of Name of Related Parties	Transactions
TVS SVS Singapore Pte Ltd	Shareholder/ Affiliate	Borrowings/Trading
TVS SCS Global Freight Solution Limited	Affiliate	Trading
TVS SCS Deutschland Gmbh	Affiliate	Trading
TVS SCS Malaysia Sdn Bhd	Affiliate	Trading
TVS SCS International Freight (Spain), S.L.U.	Affiliate	Trading
TVS SCS (Aust) Pty Ltd	Affiliate	Trading
TVS Supply Chain Solutions Pte Ltd	Affiliate	Trading
TVS SCS Taiwan Limited	Affiliate	Trading
TVS SCS (Korea) Ltd.	Affiliate	Trading
TVS SCS Hong Kong Limited	Affiliate	Trading
TVS SCS Logistics Ltd	Affiliate	Trading
TVS SCS Rico Italia SRL	Affiliate	Trading
TVS SCS Logistics (Thailand) Limited	Affiliate	Trading
TVS SCS Vietnam Company Limited	Affiliate	Trading
TVS SCS Philippines Corporation	Affiliate	Trading
TVS SCS New Zealand Limited	Affiliate	Trading

22. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

In the normal operation of business, the Company entered into certain transactions with related parties. The balances of transaction with related parties are as follow:

	2024	2023
Account Receivables		
TVS SVS Singapore Pte Ltd	240.942.030	143.105.495
TVS SCS Global Freight Solution Limited	1.075.133.442	188.917.068
TVS SCS Logistics (Thailand) Limited	108.670.056	--
TVS SCS Vietnam Company Limited	17.269.351	--
TVS SCS Logistics Management Co Ltd	9.405.799	--
TVS SCS Philippines Corporation	3.830.394	--
TVS SCS New Zealand Limited	242.430	--
TVS SCS Malaysia Sdn Bhd	--	51.863.124
TVS SCS Deutschland Gmbh	--	29.622.461
TVS SCS (Aust) Pty. Ltd	--	10.352.615
Total	**1.455.493.502**	**423.860.763**
Account Payables		
TVS SCS Singapore Pte. Ltd.	35.745.095.284	22.879.307.446
TVS Supply Chain Solutions Pte Ltd	4.678.803.925	4.847.446.652
TVS SCS Malaysia Sdn Bhd	1.358.887.546	361.567.481
TVS SCS Global Freight Solutions Limited	848.916.000	147.104.867
TVS SCS Deutschland Gmbh	751.078.559	776.992.374
TVS SCS Logistics Ltd.	330.025.464	362.353.392
TVS SCS Logistics Ltd Guangzhou Branch	117.659.522	37.499.266
TVS SCS Taiwan Limited	64.324.760	55.728.840
TVS Supply Chain Los Angeles Branch	38.772.638	--
TVS SCS Hong Kong Limited	29.954.328	13.217.678
TVS SCS (Korea) Ltd.	25.899.928	16.117.428
TVS Supply Chain Solutions North America Inc Atlanta Branch	10.754.033	--
TVS SCS Philippines Corporation	8.889.100	--
TVS SCS Logistics (Thailand) Limited	8.081.000	60.274.710
TVS SCS (Aust) Pty. Ltd	6.222.106	--
TVS SCS Vietnam Company Limited	4.767.790	--
TVS SCS Rico Italia SRL	4.549.770	--
TVS SCS International Freight (Spain), S.L.U.	3.828.778	--
Other (Each Below Rp10,000,000)	--	10.177.359
Total	**44.036.510.530**	**29.567.787.493**

23. FINANCIAL INSTRUMENT

Fair values

The following tables set forth the carrying values and estimated fair value of financial instruments that are carried in the statement of financial position as of December 31, 2024 and 2023:

	2024	2023
Financial Assets		
Cash	8.956.812.523	14.136.154.149
Accounts Receivable	43.345.046.288	31.796.112.915
Refundable Deposits	978.183.743	953.159.330
Total Financial Assets	**53.280.042.554**	**46.885.426.394**
Financial Liabilities		
Accounts Payable	49.867.014.433	33.119.579.698
Advance From Customers	--	42.307.534
Accrued Expenses	3.600.187.925	4.927.285.669
Total Financial Assets	**53.467.202.358**	**38.089.172.901**

Fair value is defined as the amount by which the instrument can be exchanged in a current transaction between an understanding and willing party to enter into an arm's length transaction, not due to a sale due to financial difficulties or forced liquidation. Fair value is obtained from quoted market prices, discounted cash flow models and option pricing models as appropriate.

The financial instruments presented in the statement of financial position are stated at fair value, or vice versa, are presented in the carrying amount when the amount is close to fair value or the fair value cannot be measured reliably.

24. FINANCIAL RISK MANAGEMENT

a. Credit Risk

The financial assets that potentially subject the Company to credit risk consist principally of cash and trade receivables, with a maximum exposure equal to the carrying amount of each instrument. There are no significant concentrations of credit risk within the Company. The Company has in place credit policies and procedures to ensure the ongoing credit evaluation and active account monitoring. The Company minimizes credit risk from deposits with banks by placing its funds only in banks of good standing.

b. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents to support business activities on a timely basis. The Company maintains a balance between continuity of accounts receivable collectability and flexibility through the use of borrowings from its related party.

As of December 31, 2024 and December 31, 2023, all financial liabilities of the Company were due within 1 year.

24. FINANCIAL RISK MANAGEMENT (Continued)

c. Capital Management

The main objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments with respect to changes in economic conditions and the characteristics of its business risks. No changes have been made in the objectives, policies and processes as they have been applied in previous years.

d. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to market risks, in particular, interest rate risk and foreign currency exchange risk.

Foreign currency exchange risk

Exposure to currency exchange risk arises mainly from the Company monetary assets and liabilities recognized in foreign currencies different from the functional currency of the Company. The Company manages monetary assets and liabilities with the diversification of assets (cash and cash equivalents) in foreign currency with multiple functional currencies.

25. THE MANAGEMENT'S RESPONSIBILITY TO THE FINANCIAL STATEMENTS

The management of the Company is responsible for the preparation and presentation of the financial statements which were authorized by Directors for issuance on June 26, 2025.

TVS SCS Taiwan Limited

FY 2024-25

INDEPENDENT AUDITOR'S REPORT

TVS SCS Taiwan Limited：

Opinion

We have audited the financial statements of TVS SCS Taiwan Limited ("the Company"), which comprise the statements of financial position as at March 31, 2025 and 2024, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2025 and 2024, and of its financial performance and its cash flows for the years then ended in accordance with "Enterprise Accounting Standards, and related Interpretations announced by the Accounting Research and Development Foundation of the Republic of China" (EAS).

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial statement by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Taiwan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

3. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

4. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

RSM Taiwan

Taipei, Taiwan (Republic of China)

May 15, 2025

TVS SCS Taiwan Limited

Balance Sheets

As at March 31, 2025 and 2024

(Expressed in New Taiwan Dollars)

	2025.03.31		2024.03.31			2025.03.31		2024.03.31	
	Amount	%	Amount	%		Amount	%	Amount	%
Current assets					Current liabilities				
Cash and cash equivalents (Note 5(a))	4,652,128	7.59	9,081,235	17.07	Notes and accounts payable-related parties (Note 6(b))	30,486,996	49.77	23,342,324	43.91
Account receivable (Note 5(b) & 6(b))	53,320,578	87.04	38,650,641	72.70	Notes and accounts payable	1,553,631	2.54	3,678,039	6.92
Other receivable (Note 5(c))	980,938	1.60	1,465,455	2.76	Accrued expenses and other payables (Note 5(f))	3,799,991	6.20	1,913,061	3.60
Other assets, current (Note 5(d))	1,431,151	2.34	3,039,654	5.72	Unearned receipts	217,248	0.35	151,900	0.29
Income tax receivable (Note 5(i))	264,794	0.43	-	-	Other current liabilities (Note 5(g))	228,590	0.37	786,896	1.48
	60,649,589	99.00	52,236,985	98.25	Income tax payable (Note 5(i))	-	-	1,670,113	3.14
Non-current assets						36,286,456	59.23	31,542,333	59.33
Property, plant and equipment (Note 5(e))	-	-	-	-	Non-current liabilities				
Refundable deposits	614,500	1.00	614,500	1.16	Deferred tax liabilities (Note 5(i))	129,884	0.21	-	-
Deferred tax assets (Note 5(g))	-	-	311,487	0.59		129,884	0.21	-	-
	614,500	1.00	925,987	1.75	Owners' equity				
					Common stock (Note 5(h))	7,500,000	12.24	7,500,000	14.11
					Retained earnings - unappropriated(or accumulated deficit)	15,935,685	26.02	13,388,587	25.18
					Legal reserve	1,412,064	2.30	732,052	1.38
						24,847,749	40.56	21,620,639	40.67
	61,264,089	100.00	53,162,972	100.00	Total liabilities and owners' equity	61,264,089	100.00	53,162,972	100.00

The accompanying notes are an integral part of the financial statements.

TVS SCS Taiwan Limited
Statement of Comprehensive Income
For the period from April 1, 2024 to March 31, 2025 and from April 1, 2023 to March 31, 2024
(Expressed in New Taiwan Dollars)

	2025		2024	
	Amount	%	Amount	%
Revenue (Note 5(j)、6(b))	64,557,243	100.00	129,980,470	100.00
Other operating costs (Note 5(k)、6(b))	(42,765,864)	(66.24)	(97,764,490)	(75.21)
Gross profit	21,791,379	33.76	32,215,980	24.79
Other income (Note 5(m))	1,097,011	1.70	39,549	0.03
Administrative expenses (Note 5(l))	(17,091,673)	(26.48)	(19,788,138)	(15.22)
Other expenses (Note 5(n))	(1,045,725)	(1.62)	(3,469,002)	(2.67)
Profit before Income tax	4,750,992	7.36	8,998,389	6.92
Income tax expense (Note 5(i))	(1,523,882)	(2.36)	(2,198,266)	(1.69)
Gain for the year	3,227,110	5.00	6,800,123	5.23

The accompanying notes are an integral part of these financial statements.

TVS SCS Taiwan Limited
Statement of Changes in Owners' Equity
For the Year Ended March 31, 2025 and March 31, 2024
(Expressed in New Taiwan Dollars)

	Common Stock	Legal reserve	Retained earnings	Total Owners' Equity
Balance, March 31, 2023	7,500,000	-	7,320,516	14,820,516
Legal reserve		732,052	(732,052)	-
Profit for the period from April 1, 2023 to March 31, 2024	-	-	6,800,123	6,800,123
Balance, March 31, 2024	7,500,000	732,052	13,388,587	21,620,639
Legal reserve	-	1,412,064	(1,412,064)	-
Profit for the period from April 1, 2024 to March 31, 2025	-	-	3,227,110	3,227,110
Balance, March 31, 2025	7,500,000	2,144,116	15,203,633	24,847,749

The accompanying notes are an integral part of these financial statements.

TVS SCS Taiwan Limited

Statements of Cash flows

For the period from April 1, 2024 to March 31, 2025 and from April 1, 2023 to March 31, 2024

(Expressed in New Taiwan Dollars)

	2025	2024
	Amounts	Amounts
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income before tax	4,750,992	8,998,389
Depreciation expense	-	-
	4,750,992	8,998,389
Decrease in account receivable	(14,669,937)	19,896,612
(Increase) Decrease in other receivable	484,517	2,218,926
Decrease in other current assets	1,608,503	332,304
Increase in notes and accounts payable	(2,124,408)	677,737
Increase (Decrease) in notes and accounts payable-related parties	7,144,672	(24,994,367)
Increase (Decrease) in accrued expenses and other payables	1,886,930	(227,469)
Increase (Decrease) in unearned receipts	65,348	(16,530)
(Decrease) Increase in other current liabilities	(558,306)	598,846
Net cash from operating activities	(1,411,689)	7,484,448
Income taxes paid	(3,017,418)	(4,061,759)
Net cash (used in) from operating activities	(4,429,107)	3,422,689
Net (Decrease) Increase in cash	(4,429,107)	3,422,689
Cash at beginning of the year	9,081,235	5,658,546
Cash at ending of the year	4,652,128	9,081,235

The accompanying notes are an integral part of the financial statements.

TVS SCS Taiwan Limited

Notes to Financial Statements

For the year ended MARCH 31, 2025 and MARCH 31, 2024
(Expressed in New Taiwan Dollars)

1. HISTORY AND ORGANIZATION

The company changed its name from Pan Asia Logistics Taiwan Ltd to TVS SCS Taiwan Limited on January 15, 2021. TVS SCS Taiwan Limited (the company) was registered under the provisions of the Company Law of the Republic of China (R.O.C) on November 9, 2010, As of March 31, 2025, the registered Capital was NT$7,500,000. The company engaged in the maritime and air transport.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These financial statements were authorized for issuance by the management on May 15, 2025.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all reporting periods, unless otherwise stated.

(a) Compliance Statement

The financial statements of The Company have been prepared in accordance with the requirements of "Business Entity Accounting Law" relating to the preparation of financial statements, "Regulation on Business Entity Accounting Handling", EAS and its interpretations.

(b) Basis of preparation

The financial statements have been prepared under the historical cost convention.

(c) Foreign currency translation

The functional currency of The Company is determined by the primary economic environment in which The Company operates. The financial statements are presented in New Taiwan dollars, which is The Company's functional currency.

(1) Foreign currency transactions and balances

(i) Foreign currency transactions are translated into the functional currency using spot exchange rate at the dates of the transactions.

(ii) Monetary items denominated in foreign currencies are translated at the closing rate at the balance sheet date. Exchange differences arising upon translation at the balance sheet date are recognised in profit or loss.

(iii) Non-monetary items denominated in foreign currencies held at fair value through profit or loss are translated at closing rate at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary items denominated in foreign currencies held at fair value through other comprehensive income are translated at the closing rate at the balance sheet date; their translation differences are recognised in other comprehensive income. Non-monetary items denominated in foreign currencies that are measured at cost are translated using the historical exchange rates at the dates of the transactions.

(iv) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'exchange gains and losses'.

(d) Classification of current and non-current items

(1) Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(i) Assets that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(ii) Assets held mainly for trading purposes;

(iii) Assets that are expected to be realised within twelve months from the balance sheet date;

(iv) Cash or cash equivalents, excluding cash and cash equivalents that are

restricted from being exchanged, used to settle liabilities for at least twelve months after the balance sheet date or restricted by other factors.

(2) Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(i) Liabilities that are expected to be settled within the normal operating cycle;

(ii) Liabilities arising mainly from trading activities;

(iii) Liabilities that are to be settled within twelve months after the balance sheet date;

(iv) Liabilities for which the repayment date cannot be deferred unconditionally for at least twelve months after the balance sheet date.

(e) Accounts receivable

Accounts receivable are loans that are created by the entity by selling goods or providing services to customers and are initially recognised at fair value plus transaction costs and are subsequently measured at amortised cost using the effective interest method, less impairment loss. Interest amortised using the effective interest method is recognised as profit or loss. However, short-term accounts receivable without bearing interest are measured at transaction amount as the effect of discounting is immaterial.

(f) Derecognition of financial assets

The Company derecognises a financial asset when the rights to receive cash flows from the financial assets have expired or have been settled.

(g) Property, plant and equipment

(1) Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

(2) In case of replacement of one part of the property, plant and equipment, the new part is capitalized to the extent that it is probable that future economic benefits associated with the item will flow to The Company, and the carrying amount of the part replaced is derecognised. All other repairs and maintenance are charged to profit or loss when incurred.

(3) Property, plant and equipment are measured at cost model subsequently. Land is not depreciated. Other property, plant and equipment are depreciated using the straight-line method over their estimated useful lives. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately, unless it is impracticable. Office equipment for current and comparative periods is 5 years.

(4) If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under Accounting policies, estimates and errors', from the date of the change.

(h) Impairment of non-financial assets

(1) The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. The impairment loss on revalued assets is recognized in other comprehensive income to the extent of amount of unrealised revaluation surplus; excess is recognised in profit or loss, if any.

(2) Where the recoverable amount increases in subsequent period, the book value of the asset is adjusted to its recoverable amount. The carrying amount after reversal should not exceed its book value (less depreciation or amortisation amount) that would have been if the impairment had not been recognised. Reversal of impairment loss is recognised in profit or loss, but gain on reversal of impairment loss on revalued assets is recognised in profit or loss to the extent of impairment loss initially recognised in profit or loss; excess is recognised in other comprehensive income as unrealised revaluation surplus of the asset.

(i) Accounts payable

Accounts payable from purchasing raw materials, goods or services on credit are initially recognised at fair value less any transaction costs and subsequently measured at amortised cost using the effective interest method. Interest amortised using the effective interest method is recognised in profit or loss. However,

short-term accounts payable without bearing interest are subsequently measured at transaction amount as the effect of discounting is immaterial.

(j) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability specified in the contract is discharged, cancelled or expires.

(k) Employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid and are recognised as expense in the period in which the employees render service. The contributions are recognized as pension expense when they are due on an accrual basis

(l) Income tax

(1) The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

(2) The current income tax liabilities are calculated based on the tax rate enacted at the balance sheet date.

(3) Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the balance sheet. However, the deferred tax is not accounted for if it arises of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

(4) Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

4. CRITICAL ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these financial statements requires management to make critical assumptions and estimates concerning future events based on the conditions existing at the balance sheet date. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company has no assumptions or estimates with significant uncertainty this year.

5. DETAILS OF SIGNIFICANT ACCOUNTS

(a) Cash and cash equivalents

	March 31, 2025	March 31, 2024
Petty cash	5,000	5,000
Bank deposits	4,647,128	9,076,235
	4,652,128	9,081,235

(b) Accounts receivables

	March 31, 2025	March 31, 2024
Accounts receivable - third party	3,481,555	29,710,733
Accounts receivable - intercompany	49,839,023	8,939,908
	53,320,578	38,650,641

(c) Other receivables

	March 31, 2025	March 31, 2024
Other receivables	1,245,732	1,465,455
	1,245,732	1,465,455

(d) Other assets, current

	March 31, 2025	March 31, 2024
Prepayments	1,317,762	2,297,434
Other	113,389	742,220
	1,431,151	3,039,654

(e) Property, plant, and equipment

The cost and depreciation of the property, plant, and equipment of the Company for the years ended March 31, 2025 and 2024 were as follows:

Cost:	**Office Equipment**	**Miscellaneous Equipment**	**Total**
Balance at 1 April, 2024	266,615	127,331	393,946
Additions/Disposals	-	-	-
Balance at 31 March, 2025	266,615	127,331	393,946
Balance at 1 April, 2023	266,615	127,331	393,946
Additions/Disposals	-	-	-
Balance at 31 March, 2024	266,615	127,331	393,946
Depreciation:			
Balance at 1 April, 2024	266,615	127,331	393,946
Additions/Disposals	-	-	-
Balance at 31 March, 2025	266,615	127,331	393,946
Balance at 1 April, 2023	266,615	127,331	393,946
Additions/Disposals	-	-	-
Balance at 31 March, 2024	266,615	127,331	393,946
Carrying amounts:			
Balance at 31 March, 2025	-	-	-
Balance at 31 March, 2024	-	-	-

(f) Accrued expenses and Other payables

	March 31, 2025	March 31, 2024
Salaries	2,566,093	813,925
Professional service	170,000	170,000
Other payables	1,063,898	929,136
	3,799,991	1,913,061

(g) Other current liabilities

	March 31, 2025	March 31, 2024
Other current liabilities	228,590	786,896
	228,590	786,896

(h) Common Stock

As of March 31, 2025, the Company registered NTD 7,500,000.

The Company's Articles of Incorporation provide that, when allocating the net profits for each fiscal year, the Company shall first offset its losses in previous years and then set aside the following items accordingly:

1) Legal capital reserve at 10% of the profits left over, until the accumulated legal capital reserve equals the Company's paid-in capital;
2) If the Company has profit at year end, it shall first distribute at least 0.1 % of the profit before tax as employee bonus.
3) Any balance left over shall be allocated according to the resolution of the shareholders' meeting.

(i) Income Tax

1) Taxable income as of 2025 and 2024 is computed as follows:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Accounting Income before tax	4,750,992	8,998,389
Permanent differences	1,338,396	345,828
Temporary differences		
– Unrealized foreign exchange gain/loss – Previous period	(1,557,436)	2,571,399
– Unrealized foreign exchange gain/loss – current period	(649,418)	1,557,436
Total	3,882,534	13,473,052
Tax loss carryforward	-	-
Taxable income	3,882,534	13,473,052
Tax rate	20%	20%
Current income tax expense	776,506	2,694,610
Additional tax at 5% on undistributed earnings	306,005	329,423
Prepaid income tax	(1,347,305)	(1,353,920)
Income tax (receivable) payable	(264,794)	1,670,113

2) The components of income tax in the years 2025 and 2024 were as follows:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax expense		
Current period	776,506	2,694,610
Additional tax at 5% on undistributed earnings	306,005	329,423
	1,082,511	3,024,033
Deferred tax expense		
Realized (unrealized) exchange loss	311,487	(311,487)
The carryforward of used (unused) tax losses	-	-
Unrealized (realized) exchange gain	129,884	(514,280)
	441,371	(825,767)
Income tax (benefit) expense	1,523,882	2,198,266

3) The components of deferred income tax assets were as follows:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Deferred income tax assets	-	311,487
Deferred income tax liabilities	(129,884)	-
Net of deferred income tax	(129,884)	311,487

4) Assessment of tax

The Company's tax returns for the years through 2024 were assessed by the National Taxation Bureau.

(j) Operating revenue

	For the year ended March 31, 2025	For the year ended March 31, 2024
Sales of services	64,557,243	129,980,470
	64,557,243	129,980,470

(k) Operating cost

	For the year ended March 31, 2025	For the year ended March 31, 2024
Costs of services	42,765,864	97,764,490
	42,765,864	97,764,490

(l) Operating expense

	For the year ended March 31, 2025	For the year ended March 31, 2024
Administrative expenses	17,091,673	19,788,138
	17,091,673	19,788,138

(m) Other income

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income	1,097,011	39,549
	1,097,011	39,549

(n) Other expenses

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Expense	11,976	24,417
Foreign exchange loss	-	1,961,418
Other expense	1,033,749	1,483,167
	1,045,725	3,469,002

(o) Expenses by nature

	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation and amortization expenses	622,948	624,852
Personnel expenses:		
Salaries	10,889,837	10,041,029
Labor and health insurance	707,027	853,022
Pension	437,163	524,126
	12,034,027	12,092,039

6. RELATED PARTY TRANSACTIONS

(a) Name and relationship of related parties:

Name of related parties	Relationship with the Company
TVS SCS SINGAPORE PTE. LTD.	An investee under the equity method of the Company.
TVS SCS Hong Kong Ltd.	Affiliated company
TVS SCS (KOREA) LTD.	Affiliated company
PT. PAN ASIA LOGISTICS INDONESIA	Affiliated company
PAN ASIA LOGISTICS MALAYSIA SDN BHD	Affiliated company
TRANSTAR INTERNATIONAL FREIGHT (SHANGHAI) LTD.GUANGZHOU BRANCH.	Affiliated company
TVS SCS LOGISTICS (THAILAND) LIMITED	Affiliated company
TVS SCS VIETNAM COMPANY LIMITED	Affiliated company
TVS SCS Deutschland GmbH	Affiliated company
TVS SCS LOGISTICS LTD	Affiliated company
TVS DYNAMIC GLOBAL FREIGHT SERVICES LIMITED	Affiliated company
TVS SCS International PTE LTD.	Affiliated company
TVS SCS INTERNATIONAL FREIGHT (SPAIN) SLU	Affiliated company
TVS SCS (AUST) PTY. LTD.	Affiliated company
TVS SCS NEW ZEALAND LIMITED	Affiliated company
TVS SUPPLY CHAIN SOLUTIONS PTE LTD	Affiliated company
TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	Affiliated company
PT. TVS SCS INDONESIA	Affiliated company
TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED	Affiliated company
TVS SCS RICO ITALIA SRL	Affiliated company
TVS LOGISTICS IBERIA SLU	Affiliated company

(b) Significant transactions with related parties

1) Revenue

	For the year ended March 31, 2025	For the year ended March 31, 2024
TVS SCS SINGAPORE PTE. LTD.	4,992,219	19,971,799
Affiliated company	27,019,207	14,564,692
	32,011,426	34,536,491

2) Operating costs

	For the year ended March 31, 2025	For the year ended March 31, 2024
TVS SCS SINGAPORE PTE. LTD.	3,655,891	345,081
Affiliated company	1,509,769	75,712,559
	5,165,660	76,057,640

3) Accounts Receivable

	March 31, 2025	March 31, 2024
TVS SCS SINGAPORE PTE. LTD.	34,987,257	16,073,449
Affiliated company	14,851,766	8,647,818
	49,839,023	24,721,267

4) Notes and Accounts Payable

	March 31, 2025	March 31, 2024
TVS SCS SINGAPORE PTE. LTD.	25,904,578	22,745,516
Affiliated company	4,582,418	596,808
	30,486,996	23,342,324

7. COMMITMENTS

None.

8. SIGNIFICANT SUBSEQUENT EVENTS

None.

9. OTHER

None.

Pan Asia Freight-Forwarding & Logistics India Private Limited

FY 2024-25

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS TO THE MEMBERS OF PAN ASIA FREIGHT FORWARDING & LOGISTICS INDIA PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH 2025

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PAN ASIA FREIGHT FORWARDING & LOGISTICS INDIA PRIVATE LIMITED ("the company"), which comprise the Balance Sheet as at 31st March 2025, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of material accounting policy information and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements gives the information required by the of the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and the profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note no.1(b) and 1(d) wherein it has been indicated that the books of accounts have been prepared without following going concern assumption. We also draw your attention to Note no. 18 of the financial statement wherein it is indicated that the Company has explored opportunities for reviving the business however the efforts did not result in positive outcome and therefore the business has been stopped which indicates that material uncertainty exists that may cast significant doubt on the Company's ability to continue as going concern. Our opinion is not modified in this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexure to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Based on the work we have performed, if we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, is not applicable to the Company.

2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

f) In our opinion and to the best of our knowledge and according to the explanations given to us, the provisions of Section 143(3)(i) of the Companies Act, 2013 for reporting on the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls are not applicable to the Company.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

No Managerial Remuneration has been paid or provided during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which any material foreseeable losses;

iii. There is no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund.

iv.

a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The management has further represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations (a) and (b) above contain any material mis-statement.

v. In respect of compliance with Section 123 of the Companies Act, 2013, we report as under:

The company has not declared / paid dividends during the year.

vi. Based on our examination, the Company, has used an accounting software "WiseCloud" which is operated by a third-party software service provider "WiseTech Global", for maintaining its books of account. According to the information and explanation provided to us and based on information and explanation provided by the third party and reports generated from the software and provided to us in respect of audit trail, and based on test check as considered appropriate, the accounting software has a feature of recording Audit Trail (Edit Log) and the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration No. 004207S

T S Dinesh Kumar
Partner
Membership No: 229153
Date : 15th May 2025
Place : Madurai
ICAI UDIN : 25229153BMJII06782

Pan Asia Freight Forwarding & Logistics India Private Limited
CIN: U63040MH2011FTC213986
Balance sheet as at 31st March, 2025
(All amounts are in lakhs of Indian Rupees (INR), unless otherwise stated)

Particulars	Note	As At 31st March 2025	As At 31st March 2024
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	8.45	8.45
Reserves and surplus	4	35.39	29.06
Total Equity		**43.84**	**37.51**
Current liabilities			
Trade payables	5	154.73	150.97
Other current liabilities	6	0.11	0.10
Short-term provisions	7	1.08	0.90
Total Current Liabilities		**155.92**	**151.97**
Total Equity and Liabilities		**199.76**	**189.48**
ASSETS			
Non-current assets			
Property, plant and equipment	8	0.03	0.03
Long-term loans and advances	9	1.95	1.56
Total Non Current Assets		**1.98**	**1.59**
Current assets			
Cash and cash equivalents	10	196.80	186.62
Other current assets	11	0.98	1.27
Total Current Assets		**197.78**	**187.89**
Total Assets		**199.76**	**189.48**
Notes 1 to 21 form an integral part of these financial statements			

This is the Balance sheet referred to in our report of even date

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

For and on behalf of the Board of Directors of
Pan Asia Freight Forwarding & Logistics India Private Limited

T.S.Dinesh Kumar
Partner
Membership No. 229153
Place : Madurai
Date: 15.5.2025
ICAI UDIN : 25229153BMJII06782

Mohan Venkatesan
Director
DIN : 08583004
Place: Chennai
Date: 14.5.2025

Srinivasa Raghavan Raja
Director
DIN : 09570392
Place: Chennai

Pan Asia Freight Forwarding & Logistics India Private Limited
CIN: U63040MH2011FTC213986
Statement of Profit and Loss for the year ended 31st March, 2025
(All amounts are in lakhs of Indian Rupees (INR), unless otherwise stated)

Particulars	Note	Year ended 31st March 2025	Year ended 31st March 2024
Revenue from operations		-	-
Other income	12	12.18	46.99
Total revenue		**12.18**	**46.99**
Operating expenses - Freight		-	-
Employee benefits expense		-	-
Finance costs		-	-
Depreciation expense		-	-
Other expenses	13	5.85	1.71
Total expenses		**5.85**	**1.71**
Profit / (Loss) before tax		**6.33**	**45.28**
Tax expenses:			
Current tax		-	-
Deferred tax		-	0.17
Total tax expenses		**-**	**0.17**
Profit /(Loss) for the year		**6.33**	**45.11**
Earnings per equity share			
Face value of Rs.10 per equity share			
Basic and diluted	14	**7.50**	**53.38**

Notes 1 to 21 form an integral part of these financial statements
This is the Statement of profit and loss referred to in our report of even date

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

For and on behalf of the Board of Directors of
Pan Asia Freight Forwarding & Logistics India Private Limited

T.S.Dinesh Kumar
Partner
Membership No. 229153
Place : Madurai
Date: 15.5.2025
ICAI UDIN : 25229153BMJII06782

Mohan Venkatesan
Director
DIN : 08583004
Place: Chennai
14.5.2025

Srinivasa Raghavan Raja
Director
DIN : 09570392
Place: Chennai

Pan Asia Freight Forwarding & Logistics India Private Limited
CIN: U63040MH2011FTC213986
Cash flow Statement for the year ended 31st March, 2025
(All amounts are in lakhs of Indian Rupees (INR), unless otherwise stated)

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Cash flows from operating activities		
Profit / (loss) before tax	6.33	45.28
Adjustments for :		
Depreciation expense	-	-
Exchange Differences	3.77	(6.58)
Operating cash flow before working capital changes	**10.10**	**38.70**
Increase / (decrease) in working capital		
Other current liabilities	0.01	(0.01)
Trade payables	(0.01)	(30.82)
Other payables	0.18	(0.28)
Other current assets	0.29	(1.27)
Cash generated from operations	**10.57**	**6.32**
Income taxes (paid) / refund	(0.39)	19.10
Net cash generated from operating activities	**10.18**	**25.42**
Cash flows from investing activities	-	-
Cash flows from financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	10.18	25.42
Cash and cash equivalents as at the beginning of the year	186.62	161.20
Cash and cash equivalents as at the end of the Period	**196.80**	**186.62**

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
	Rs.	**Rs.**
Break up of cash and cash equivalents (Refer Note 11)		
Cash in hand	-	-
Balance with Banks	196.80	186.62
Cash and cash equivalents	**196.80**	**186.62**

This is the Cash flow statement referred to in our report of even date

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

For and on behalf of the Board of Directors of
Pan Asia Freight Forwarding & Logistics India Private Limited

T.S.Dinesh Kumar
Partner
Membership No. 229153
Place : Madurai
Date: 15.5.2025
ICAI UDIN : 25229153BMJII06782

Mohan Venkatesan
Director
DIN : 08583004
Place: Chennai
Date: 14.5.2025

Srinivasa Raghavan Raja
Director
DIN : 09570392
Place: Chennai

Pan Asia Freight Forwarding & Logistics India Private Limited
CIN: U63040MH2011FTC213986
Material accounting policy information and other explanatory information for the year ended 31st March, 2025

1 a) Background of the company

Pan Asia Freight Forwarding & Logistics India Private Limited ('the Company') is engaged in a comprehensive Air freight services, Ocean freight services, Project logistics services, Automative logistics solutions etc. with offices in Mumbai and Ahmedabad, its registered and head office is located at A/401, Polaris Business Park, Off Marol Maroshi Road, Andheri (East), Mumbai - 400 059.

b) Basis of preparation of financial statements

The financial statements which have been prepared and presented under the historical cost convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act, 2013 (the 'Act') and comply in all material aspects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

The Company has prepared books of accounts without following "going concern" assumption for the following reasons :

1. Despite significant efforts and also initiation of certain corrective measures, the Company has been incurring losses for the past few years.
2. In order to stop further drain of cash, the business has been stopped with effect from 1st April 2023.

c) Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the reporting year. Key estimates include estimate of useful lives of fixed assets, income taxes and future obligations under employee retirement benefit plans. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates. Any revisions to accounting estimates are recognised prospectively in the current and future periods.

d) Note on Going Concern

Since uncertainty exist as to the continuation of business, the financial statements have been prepared assuming that the Company will not continue as a going concern and accordingly all the assets are stated at realizable value and the liabilities are stated at settlement value as on the date of balance sheet.

2 Significant Accounting Policy Information

a) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and that it can be reliably measured. Revenue from Freight income is booked once shipments are shipped on vessels or flights and arrive/leave ports.

b) Property, Plant and Equipment and depreciation

i) Property, Plant and Equipment are stated at cost less accumulated depreciation, amortisation and impairment losses. Cost includes purchase price, inward freight, taxes and expenses incidental to acquisition and installation, up to the point the asset is ready for its intended use. Assets acquired but not ready for use are classified under capital work-in-progress.

ii) Depreciation on tangible assets is provided, pro rata for the period of use, on the written down value method (WDV) as per the useful life of the assets prescribed under Schedule II to the Companies Act, 2013.

c) Taxation

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits. At each Balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

e) Impairment of assets

The carrying amounts of the Company's assets are reviewed at Balance sheet date to determine whether there is any impairment. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment loss is recognised in the Statement of profit and loss or against revaluation surplus where applicable.

f) Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities are translated at the year-end rate. The difference between the rate prevailing on the date of transaction and on the date of settlement, as also on the translation of monetary assets and liabilities at the end of the year is recognised as income or expense, as the case may be, in the Statement of profit and loss.

g) Provisions and contingencies

Provisions comprise liabilities of uncertain timing or amount such as loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. Provisions are recognised when the Company has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Pan Asia Freight Forwarding & Logistics India Private Limited
CIN: U63040MH2011FTC213986
Notes forming part of the financial statements for the period ended 31st March, 2025
(All amounts are in lakhs of Indian Rupees (INR), unless otherwise stated)

Particulars	As At 31st March 2025	As At 31st March 2024
Note '3'		
Share capital		
Authorised capital		
5,00,000 (Previous year 5,00,000) Equity shares of Rs. 10 Each	50.00	50.00
Total	**50.00**	**50.00**
Issued, subscribed and fully paid		
84,500 (Previous year 84,500) Equity shares of Rs. 10 each fully paid-up	8.45	8.45
Total	**8.45**	**8.45**
a) Reconciliation of no. of shares		
Equity shares outstanding at beginning of the year	84,500	84,500
Issued during the year	-	-
Equity shares outstanding at end of the year	**84,500**	**84,500**
b) List of shareholders holding more than 5% shares		
Particulars	**As At 31st March 2025**	**As At 31st March 2024**
TVS SCS SINGAPORE PTE. LTD.		
No of Shares	84,499	84,499
Percentage	100%	100%

c) Terms / rights attached to equity shares

The Company has only one class of equity share having a face value of Rs. 10 per share. Each holder of equity share is entitled to one vote per equity share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company. The dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

d) The Company has not issued any shares for consideration other than cash nor there has been any buy back of shares during five years immediately preceding 31 March 2025.

Note '4'		
Reserves and surplus		
Securities premium		
Balance at the beginning of the year	37.25	37.25
Add: Received during the year	-	-
Balance at the end of the year	**37.25**	**37.25**
Surplus		
Balance at the beginning of the year	(8.19)	(53.30)
Add: Profit / (Loss) for the year	6.33	45.11
Balance at the end of the year	**(1.86)**	**(8.19)**
Total	**35.39**	**29.06**
Note '5'		
Trade payables		
Dues to micro and small enterprises	-	-
Dues to others	154.73	150.97
Total	**154.73**	**150.97**

Total outstanding dues of Micro,Small and Medium Enterprises (MSMEs)

There are no dues to Micro enterprises and small enterprises as defined under Micro and Small Enterprises Development Act,2006, which were outstanding as at 31st March 2025 and 31st March 2024.

Pan Asia Freight Forwarding & Logistics India Private Limited
CIN: U63040MH2011FTC213986
Notes forming part of the financial statements for the period ended 31st March, 2025
(All amounts are in lakhs of Indian Rupees (INR), unless otherwise stated)

Ageing Schedule for Trade Payables

As at 31st March 2025 Amounts Outstanding for the following periods form the due date of payment

Particulars	Less than 1 Year	1 - 2 Years	2 - 3 years	More than 3 years	Total
Undisputed					
MSME	-	-	-	-	-
Others	-	-	0.19	154.54	154.73
Disputed					-
MSME	-	-	-	-	-
Others	-	-	-	-	-

As at 31st March 2024 Amounts Outstanding for the following periods form the due date of payment

Particulars	Less than 1 Year	1 - 2 Years	2 - 3 years	More than 3 years	Total
Undisputed					-
MSME	-	-	-	-	-
Others	-	0.01	-	150.96	150.97
Disputed					-
MSME	-	-	-	-	-
Others	-	-	-	-	-

Particulars	As At 31st March 2025	As At 31st March 2024
Note '6'		
Other current liabilities		
Statutory liabilities	0.11	0.10
Total	**0.11**	**0.10**
Note '7'		
Short-term provisions		
Provision for Expenses	1.08	0.90
Total	**1.08**	**0.90**
Note '9'		
Long-term loans and advances		
Advance taxes (Net of provisions)	1.95	1.56
Total	**1.95**	**1.56**
Note '10'		
Cash and cash equivalents		
Cash in hand	-	-
Deposits with Banks (Less than 12 months maturity)	182.00	20.00
Deposits with Banks (More than 12 months maturity)	-	157.00
Bank balance in current accounts	14.80	9.62
Total	**196.80**	**186.62**
Note '11'		
Other current assets		
Other receivables	0.22	0.51
Balances with statutory and government authorities	0.76	0.76
Total	**0.98**	**1.27**

Pan Asia Freight Forwarding & Logistics India Private Limited
CIN: U63040MH2011FTC213986
Notes forming part of the financial statements for the period ended 31st March, 2025
(All amounts are in lakhs of Indian Rupees (INR), unless otherwise stated)

Note '8'
Property, plant and equipment

Particulars	Furniture and Fixtures	Office Equipments	Computers	Total
Gross Block				
Balance as at 01 April 2023	**0.55**	**3.88**	**15.96**	**20.39**
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at 31 March 2024	**0.55**	**3.88**	**15.96**	**20.39**
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at 31 March 2025	**0.55**	**3.88**	**15.96**	**20.39**
Accumulated depreciation				
Balance as at 01 April 2023	**0.55**	**3.85**	**15.96**	**20.36**
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at 31 March 2024	**0.55**	**3.85**	**15.96**	**20.36**
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at 31 March 2025	**0.55**	**3.85**	**15.96**	**20.36**
Net block				
Balance as at 31 March 2024	**-**	**0.03**	**-**	**0.03**
Balance as at 31 March 2025	**-**	**0.03**	**-**	**0.03**

Pan Asia Freight Forwarding & Logistics India Private Limited
CIN: U63040MH2011FTC213986
Notes forming part of the financial statements for the period ended 31st March, 2025
(All amounts are in lakhs of Indian Rupees (INR), unless otherwise stated)

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Note '12'		
Other income		
Exchange difference gain (net)	-	6.58
Interest income	12.15	9.09
Provision and liabilities as no longer Required	-	30.97
Other non operating income	0.03	0.35
Total	**12.18**	**46.99**
Note '13'		
Other expenses		
Bank charges	-	0.01
Rates & Taxes	0.30	0.44
Payments to auditors' (Refer Note)	1.36	1.00
Legal and professional fees	0.42	0.26
Exchange loss on foreign currency transactions and translations	3.77	-
Total	**5.85**	**1.71**

Note:
Payments to Auditors

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Statutory audit fees	1.00	1.00
GST on Audit Fee	0.36	-
Total	**1.36**	**1.00**

Note '14'
Earnings per share
The basic earning/(loss) per equity share is computed by dividing the net profit/(loss) attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The earning/(loss) per share is calculated as under:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Net profit/(loss) attributable to equity shareholders (Rupees in Lakhs)	6.33	45.11
Face value of equity share (Rupees)	10.00	10.00
Weighted average number of shares (Numbers)	84,500	84,500
Basic and diluted earnings per share (Rupees)	**7.50**	**53.38**

Pan Asia Freight Forwarding & Logistics India Private Limited
CIN: U63040MH2011FTC213986
Notes forming part of the financial statements for the period ended 31st March, 2025
(All amounts are in lakhs of Indian Rupees (INR), unless otherwise stated)

Note '15'
Related parties disclosure

(a) Names of related parties and description of relationship

In accordance with the disclosure requirements of Accounting Standard 18 "Related Party Disclosures" the details of related parties with whom transactions are undertaken are given below :

Name of the related party	Nature of relationship
TVS SUPPLY CHAIN SOLUTIONS PTE LIMITED	Ultimate Holding Company
TVS SCS SINGAPORE PTE. LIMITED	Holding company
TVS SCS INTERNATIONAL PTE. LIMITED	Fellow subsidiary

(b) Transactions during the year

Balances written back	For the year Ended 31st March 2025	For the year Ended 31st March 2024
TVS SCS INTERNATIONAL PTE. LTD.	-	30.97

(c) Balances at the year end

Balance payable to	For the year Ended 31st March 2025	As At 31st March 2024
TVS SCS SINGAPORE PTE. LTD.	154.71	150.95

Pan Asia Freight Forwarding & Logistics India Private Limited
CIN: U63040MH2011FTC213986
Notes forming part of the financial statements for the period ended 31st March, 2025
(All amounts are in lakhs of Indian Rupees (INR), unless otherwise stated)

Note '16'
Contingent Liabilities and Commitments

Particulars	As At 31st March 2025	As At 31st March 2024
Claims against the Company not acknowledged as Debts *		
Income Tax	0.56	0.56
Goods and Service Tax	16.32	16.32
Total	**16.88**	**16.88**

* The Management is of the opinion that the above demands are not sustainable and hence no provision needs to be made in the books of account.

Note '17'
Ratios

Particulars	Formulae Used	31.3.2025	31.3.2024	Difference
(a) Current Ratio,	Current Assets / Current Liabilities	1.27	1.24	3%
(b) Debt Equity Ratio,	Total Borrowings / Equity	-	-	0%
(c) Debt Service Coverage R	EBIDTA / Finance cost	-	-	0%
(d) Return on Equity Ratio,	Net Profit / Equity	14%	120%	-88%
(e) Inventory turnover ratio,	Turn over / Inventory	-	-	0%
(f) Trade Receivables turnov	Turn Over / Average Trade Receivable	-	-	0%
(g) Trade payables turnover	Purchase / Average Trade Payable	-	-	0%
(h) Net capital turnover ratio	Net working Capital / Turn Over	-	-	0%
(i) Net profit ratio	Net Profit / Turn Over	0%	0%	0%
(j) Return on Capital employ	EBIT / (Equity + Borrowing - Cash)	-4%	-30%	-86%
(k) Return on investment.	Earnings / Investment	NA	NA	NA

Reasons for change in the ratio by more than 25% as compared to the preceding year
Refer Note 18 on Going Concern. The Company has ceased its operations. Hence the ratios are not comparable.

Note '18'
Note on Going Concern
The Company has explored opportunities for reviving the business activities however the efforts of management did not result in positive outcome and therefore the business has been stopped.

The Financial Statements have been prepared assuming that the Company will not continue as a going concern and accordingly all the assets and liabilities are stated at realisable value and settlement value respectively, as on the date of Balance Sheet.

Pan Asia Freight Forwarding & Logistics India Private Limited
CIN: U63040MH2011FTC213986
Notes forming part of the financial statements for the period ended 31st March, 2025
(All amounts are in lakhs of Indian Rupees (INR), unless otherwise stated)

Note '19'
Other Statutory Disclosures

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company's search based on publicly available database on struck off Companies did not reveal any transactions with such Companies.

(iii) The Company does not have charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company did not receive any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(viii) The Company did not revalue its Property, Plant and Equipment. The Company does not have Intangible Assets/Investment property.

(ix) The Company does not have any investment and hence disclosures relating to compliance with number of layers of investment are not applicable.

(xi) The Company has not entered into or been a part of Scheme of Arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.

(x) The Company is not declared a wilful defaulter by any banks or financial institution or any other lender.

Note '20'
Events after the reporting period:

There has been no significant subsequent events after the reporting period requiring either disclosure or adjustment to the reported financial statements.

Pan Asia Freight Forwarding & Logistics India Private Limited
CIN: U63040MH2011FTC213986
Notes forming part of the financial statements for the period ended 31st March, 2025
(All amounts are in lakhs of Indian Rupees (INR), unless otherwise stated)

Note '21'
Previous year's figures have been regrouped/reclassified wherever necessary to be in conformity with current year's classification.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

T.S.Dinesh Kumar
Partner
Membership No. 229153
Place : Madurai
Date: 15.5.2025
ICAI UDIN : 25229153BMJII06782

For and on behalf of the Board of Directors of
Pan Asia Freight Forwarding & Logistics India Private Limited

Mohan Venkatesan
Director
DIN : 08583004
Place: Chennai
Date: 14.5.2025

Srinivasa Raghavan Raja
Director
DIN : 09570392
Place: Chennai

TVS Supply Chain Solutions (Thailand) Limited

FY 2024-25

Independent Auditor's Report

To the Shareholders of TVS Supply Chain Solutions (Thailand) Limited

Opinion

I have audited the financial statements of TVS Supply Chain Solutions (Thailand) Limited. (the "Company") which comprise the statement of financial position as at March 31, 2025, the statement of income, and statement of change in shareholders' equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025 and its financial performance for the year ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Significant Uncertainties Associated with Going Concern

With unqualified opinion to the financial statements, please draw attention to Note 10 to financial statements which described that for the year ended March 31, 2025, the Company has capital deficiency of Baht 42.91 million. However, the Company still got financial support from shareholders. Thus, these financial statements were presented on going concern basis. My opinion is not modified in respect of this matter

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

(Wachirawit Kitinan)
Certified Public Accountant
Registration No. 14498

Thai Audit & Advisory Co., Ltd.
Bangkok
May 23, 2025

TVS SUPPLY CHAIN SOLUTIONS (THAILAND) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

UNIT : BAHT

	Notes	2025	2024 (Restated)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	207,567.97	262,174.69
Other current assets		1,639.68	126,730.59
Total current assets		209,207.65	388,905.28
NON-CURRENT ASSETS			
Investment in subsidiary	5	64,258,712.63	64,258,712.63
Equipment	6	-	-
Total non-current assets		64,258,712.63	64,258,712.63
TOTAL ASSETS		**64,467,920.28**	**64,647,617.91**

We certify that the above information is true

(Mrs. Duongjai Kornkosiyakarj)
Director

Notes to the financial statements form an integral part of these statements

UNIT : BAHT

	Notes	2025	2024 (Restated)
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Trade and other current payables	7	3,747,005.11	4,004,837.25
Accrued interest expenses		26,459,517.44	24,377,075.23
Short-term loan	8	77,174,005.61	77,628,095.61
Total current liabilities		107,380,528.16	106,010,008.09
TOTAL LIABILITIES		107,380,528.16	106,010,008.09
SHAREHOLDERS' EQUITY			
SHARE CAPITAL			
Authorized share capital			
4,900 common shares of Baht 100.00 each		490,000.00	490,000.00
5,100 preference shares of Baht 100.00 each		510,000.00	510,000.00
		1,000,000.00	1,000,000.00
Issued and paid-up share capital			
4,900 common shares of Baht 100.00 each		490,000.00	490,000.00
5,100 preference shares of Baht 100.00 each		510,000.00	510,000.00
		1,000,000.00	1,000,000.00
DEFICITS		(43,912,607.88)	(42,362,390.18)
TOTAL SHAREHOLDERS' EQUITY	10	(42,912,607.88)	(41,362,390.18)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**64,467,920.28**	**64,647,617.91**

We certify that the above information is true

(Mrs. Duongjai Kornkosiyakarj)
Director

Notes to the financial statements form an integral part of these statements

TVS SUPPLY CHAIN SOLUTIONS (THAILAND) LIMITED
STATEMENT OF INCOME
FOR THE YEAR ENDED MARCH 31, 2025

UNIT : BAHT

	2025	2024
REVENUES		
Other revenue	2,434,522.37	688.74
Total revenues	2,434,522.37	688.74
EXPENSES		
Professional fees	30,000.00	30,000.00
Consultant fees	-	2,834.00
Depreciation	-	477.21
Other expenses	149,642.91	2,033,787.20
Total expenses	179,642.91	2,067,098.41
PROFIT (LOSS) BEFORE FINANCE COSTS AND INCOME TAX	**2,254,879.46**	**(2,066,409.67)**
FINANCE COSTS	3,805,097.16	5,001,800.08
LOSS BEFORE INCOME TAX	**(1,550,217.70)**	**(7,068,209.75)**
INCOME TAX	-	-
NET LOSS	**(1,550,217.70)**	**(7,068,209.75)**

We certify that the above information is true

(Mrs. Duongjai Kornkosiyakarj)
Director

Notes to the financial statements form an integral part of these statements

TVS SUPPLY CHAIN SOLUTIONS (THAILAND) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2025

UNIT : BAHT

	ISSUED AND PAID-UP CAPITAL	DEFICIT	TOTAL
BEGINNING BALANCE AS AT APRIL 1, 2023	1,000,000.00	(35,294,180.43)	(34,294,180.43)
Net loss	-	(7,068,209.75)	(7,068,209.75)
ENDING BALANCE AS AT MARCH 31, 2024	1,000,000.00	(42,362,390.18)	(41,362,390.18)
BEGINNING BALANCE AS AT APRIL 1, 2024	1,000,000.00	(42,362,390.18)	(41,362,390.18)
Net loss	-	(1,550,217.70)	(1,550,217.70)
ENDING BALANCE AS AT MARCH 31, 2025	1,000,000.00	(43,912,607.88)	(42,912,607.88)

We certify that the above information is true

(Mrs. Duongjai Kornkosiyakarj)
Director

Notes to the financial statements form an integral part of these statements

1 General information

TVS Supply Chain Solutions (Thailand) Limited (Formerly named TVS Asianics (Thailand) Limited) has been registered since August 22, 2017. The registration number is 0105560139521.

The company's registered office is at 65, Tower 42, Floor 10, Room 1005 Soi Sukhumvit 42 (Kluay Nam Thai), Sukhuwit Road, Phra Khanong, Khlong Toei, Bangkok 10110.

The businesses of the company are logistics and planning services, design and manage warehouses, development, and distribution program software about logistics.

2 Basis of preparation of the financial statements

These financial statements have been prepared in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs) (Revised 2022). The financial statements of the Company are prepared in compliance with the Thailand Federation of Accounting Professions and Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statements 2023"

The financial statements are prepared and presented in Thai Baht and are prepared on historical cost basis except as stated in the accounting policies.

The preparation of financial statements in conformity with TFRS for NPAEs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Cash and cash equivalents

Cash comprises cash on hand, deposits held at call with banks but excludes deposits with banks which are held to maturity, certificates of deposit issued by commercial banks and financial institutions, and restricted deposits. Cash equivalents comprise short-term highly liquid investments with maturities of three months or less from the date of acquisition.

3.2 Trade and other current receivables

Trade and other current receivables are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

3.3 Investment in subsidiary

Investments in subsidiary is stated at cost less allowance for permanent impairment of investment (if any). Impairment loss are recognized as expenses in the income statement.

3.4 Equipment

Equipment are stated at cost less accumulated depreciation and losses on decline in value.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, and other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs.

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of income as incurred.

Depreciation is charged to the statement of income on a straight-line basis over the estimated useful lives of each component of an item of equipment. The estimated useful lives are as follows:

Office equipment	5 years

The assets' residual values, useful lives, and depreciation method are regularly reviewed.

3.5 Interest-bearing liabilities

Interest-bearing liabilities are stated at cost

3.6 Trade and other current payables

Trade and other current payables are stated at cost.

3.7 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate method.

3.8 Revenue and expenses recognition

Revenue and expenses are recognized on accrual basis.

3.9 Foreign currency translations

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized in the statement of income.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

3.10 Income tax

Current tax is expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

4 Cash and cash equivalents

	Baht	
	2025	**2024**
Cash at bank – current accounts	207,567.97	262,174.69
Total	**207,567.97**	**262,174.69**

5 Investment in subsidiary

Company	Business type	Ownership interest (%)		At cost method (Million Baht)	
		2025	2024	2025	2024 (Restated)
TVS SCS Logistics Management Co., Ltd.	Logistic services	51.00	51.00	59.06	59.06
TVS SCS Logistics (Thailand) Co., Ltd.	Logistic services	51.00	51.00	5.20	5.20

6 Equipment

The company had no equipment movements in 2025.

	Baht			
	2022	**Increase**	**Decrease**	**2024**
Office equipment	15,556.07	-	(15,556.07)	-
Less Accumulated depreciation	(10,160.12)	(477.21)	10,637.33	-
Office equipment – net	**5,395.95**			-

7 Trade and other current payables

	Baht	
	2025	**2024**
Other current payables	3,717,005.11	3,974,837.25
Accrued expenses	30,000.00	30,000.00
Total	**3,747,005.11**	**4,004,837.25**

8 Short-term loan

	Baht	
	2025	**2024 (Restated)**
Short-term loan from related parties		
TVS Supply Chain Solutions Pte Ltd.	56,969,905.61	57,423,995.61
TVS SCS Singapore Pte Ltd.	20,204,100.00	20,204,100.00
Total	**77,174,005.61**	**77,628,095.61**

The Company entered into unsecured short-term loan agreement with TVS Supply Chain Solutions Pte Ltd. on November 16, 2018. The loan amount is THB 50,323,395.61 and bore interest rate of 7% per annum. Repayment date is within 60 days after receiving demand letter. Thereafter, on July 29, 2024, the parties entered into an amendment agreement to revise the interest rate to 3% per annum, effective from July 1, 2024.

On April 20, 2020, the Company entered to unsecured short-term loan agreement with TVS Supply Chain Solutions Pte Ltd. The loan amount is SGD 260,000 and bore interest rate of 7% per annum. Repayment date is within 60 days after receiving demand letter. Thereafter, on July 29, 2024, the parties entered into an amendment agreement to revise the interest rate to 4.5% per annum, effective from July 1, 2024.

On April 22, 2020, the Company provided a loan of THB 5,204,100 to invest in TVS SCS Logistics (Thailand) Co., Ltd. (Note 6). The loan is non-interest-bearing, unsecured, and repayable on demand.

On July 20, 2021, the Company entered to unsecured long-term loan agreement with TVS SCS Singapore Pte Ltd. The loan amount is THB 15,000,000 and bore interest rate of 6% per annum. The company must repay the loan principal within 2 years.

9 Preference share

Preference shares have different voting right and right to receive dividend from ordinary shares which is described in the company's article of association.

10 Going concern

The company has accumulated loss in excess of registered and paid-up capital of Baht 42.91 million in 2025. However, the majority of shareholders still provided financial support. Therefore, the financial statements are prepared base on the assumption of on going concern basis.

11 Restrospective adjustment from errors

The Company made the adjustment in financial statements as at April 1, 2023. The result of this adjustment adversely affects to the financial statements of the Company as at March 31, 2024 as follows:

	Baht		
	Amount Before Adjustment	**Adjusting Entry as at April 1, 2023**	**Amount After Adjustment**
Statement of Financial Position			
Investment in subsidiary	59,054,612.63	5,204,100.00	64,258,712.63
Short-term loan	72,423,995.61	5,204,100.00	77,628,095.61

12 Approval of financial statements

These financial statements have been approved by the authorized directors on May 23, 2025.

We certify that the above information is true and accurate in all respects.

(Mrs. Duongjai Kornkosiyakarj)
Director

TVS SCS Logistics Management Co. Ltd

FY 2024-25

Independent Auditor's Report

To the Shareholders of TVS SCS Logistics Management Co., Ltd.

Opinion

I have audited the financial statements of TVS SCS Logistics Management Co., Ltd. (the "Company") which comprise the statement of financial position as at March 31, 2025, and the statement of income, and statement of changes in shareholders' equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025 and its financial performance for year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management to the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

(Mr. Wachirawit Kitinan)
Certified Public Accountant
Registration No. 14498

Thai Audit & Advisory Co., Ltd.
Bangkok
May 23, 2025

UNIT : BAHT

	Notes	2025	2024
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	13,520,650.74	11,472,904.37
Trade and other current receivables	6	91,477,243.77	100,830,216.24
Income tax receivable		26,298,556.72	17,334,741.02
Other current assets	7	2,466,307.43	2,069,408.96
Total current assets		133,762,758.66	131,707,270.59
NON-CURRENT ASSETS			
Leasehold improvement and equipment	8	27,209,825.67	30,688,976.15
Intangible assets	9	1,293,658.84	831,452.41
Deposits		9,070,921.00	9,467,781.00
Total non-current assets		37,574,405.51	40,988,209.56
TOTAL ASSETS		**171,337,164.17**	**172,695,480.15**

We certify that the above information is true

(Mrs. Duongjai Kornkosiyakarj)
Director

Notes to the financial statements form an integral part of these statements

UNIT : BAHT

	Notes	2025	2024 (Reclassification)
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Trade and other current payables	10	152,491,988.57	135,786,453.32
Short-term loan	11	109,000,000.00	119,000,000.00
Deposit from customers - warehouse rental		1,662,418.00	1,662,418.00
Total current liabilities		263,154,406.57	256,448,871.32
NON-CURRENT LIABILITIES			
Non-current provisions for employee benefits	12	6,135,348.55	5,110,556.16
Total non-current liabilities		6,135,348.55	5,110,556.16
TOTAL LIABILITIES		269,289,755.12	261,559,427.48
SHAREHOLDERS' EQUITY			
SHARE CAPITAL			
Authorized share capital			
150,000 ordinary shares of Baht 100.00 each		15,000,000.00	15,000,000.00
Paid-up share capital			
150,000 ordinary shares of Baht 100.00 each		15,000,000.00	15,000,000.00
DEFICITS			
Unappropriated		(112,952,590.95)	(103,863,947.33)
TOTAL SHAREHOLDERS' EQUITY		(97,952,590.95)	(88,863,947.33)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**171,337,164.17**	**172,695,480.15**

We certify that the above information is true

(Mrs. Duongjai Kornkosiyakarj)
Director

Notes to the financial statements form an integral part of these statements

TVS SCS LOGISTICS MANAGEMENT CO., LTD.
STATEMENT OF INCOME
FOR THE YEAR ENED MARCH 31, 2025

UNIT : BAHT

	Notes	2025	2024
REVENUES			
Revenue from rendering services		416,746,486.15	416,447,090.92
Other income		8,925,257.85	202,437.96
Total revenues		425,671,744.00	416,649,528.88
EXPENSES			
Cost from rendering services	13	362,665,502.20	358,879,692.93
Selling expenses	14	1,160,071.47	1,105,963.09
Administrative expenses	15	67,481,772.87	64,734,125.61
Total expenses		431,307,346.54	424,719,781.63
LOSS BEFORE FINANCE COSTS AND INCOME TAX		**(5,635,602.54)**	**(8,070,252.75)**
FINANCE COSTS		3,453,041.08	9,458,526.03
LOSS BEFORE INCOME TAX		**(9,088,643.62)**	**(17,528,778.78)**
INCOME TAX		-	-
NET LOSS		**(9,088,643.62)**	**(17,528,778.78)**

We certify that the above information is true

(Mrs. Duongjai Kornkosiyakarj)
Director

Notes to the financial statements form an integral part of these statements

UNIT : BAHT

	Paid-up share capital	Deficits	Total
Beginning balance as at April 1, 2023	**15,000,000.00**	**(86,335,168.55)**	**(71,335,168.55)**
Net loss	-	(17,528,778.78)	(17,528,778.78)
Ending balance as at March 31, 2024	**15,000,000.00**	**(103,863,947.33)**	**(88,863,947.33)**
Beginning balance as at April 1, 2024	**15,000,000.00**	**(103,863,947.33)**	**(88,863,947.33)**
Net loss	-	(9,088,643.62)	(9,088,643.62)
Ending balance as at March 31, 2025	**15,000,000.00**	**(112,952,590.95)**	**(97,952,590.95)**

We certify that the above information is true

(Mrs. Duongjai Kornkosiyakarj)
Director

Notes to the financial statements form an integral part of these statements

1 General information

TVS SCS Logistics Management Co., Ltd. ("the Company") is registered under Thai Laws. The registration is 0105540052527. The address of its registered office was 335/15 Moo 9 Bangna-Trad 19 Road, Bang Chalong, Bang Phli, Samut Prakan.

The parent company during the financial year was TVS Supply Chain Solutions (Thailand) Limited and TVS Supply Chain Solutions Pte. Ltd.

The principal businesses of the Company are warehouse management, distribution service and transportation service.

The Company changed the name from "TLM Logistics Management Company Limited." to "TVS SCS Logistics Management Company Limited". The Company registered the amendment of the Company's name with the Ministry of Commerce on 8 January 2021.

2 Basis of preparation of the financial statements

These financial statements have been prepared in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs) (Revised 2022). The financial statements of the Company are prepared in compliance with the Thailand Federation of Accounting Professions and Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statements 2023"

The financial statements are prepared and presented in Thai Baht and are prepared on historical cost basis except as stated in the accounting policies.

The preparation of financial statements in conformity with TFRS for NPAEs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Cash and cash equivalents

Cash comprises cash on hand, deposits held at call with banks but excludes deposits with banks which are held to maturity, certificates of deposit issued by commercial banks and financial institutions, and restricted deposits. Cash equivalents comprise short-term highly liquid investments with maturities of three months or less from the date of acquisition.

3.2 Trade and other current receivables

Trade and other current receivables are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

3.3 Property, plant and equipment

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and losses on decline in value. (if any)

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, and other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs.

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of income as incurred.

Depreciation is charged to the statement of income on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

leasehold improvement	5, 20	years
Furniture and fixture	5	years
Computer and equipment	3, 5	years
Vehicle	5, 20	years
Tools and equipment	5	years

The assets' residual values, useful lives, and depreciation method are regularly reviewed.

3.4 Intangible assets

Computer software that are acquired by the Company are stated at cost and amortized for 5 years.

3.5 Interest-bearing liabilities

Interest-bearing liabilities are stated at cost

3.6 Trade and other current payables

Trade and other current payables are stated at cost.

3.7 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate method.

Employee benefits

Obligations for retirement benefits and other long-term employee benefits are recognized using the best estimation method at reporting date.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (provident fund) and thereafter will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in the statement of income in the periods during which services are rendered by employees.

3.8 Revenue and expenses recognition

Revenue and expenses are recognized on accrual basis.

3.9 Foreign currency translations

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized in the statement of income.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

3.10 Income tax

Current tax is expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

4 Reclassification

	Baht		
	Previously reported	**Reclassification**	**After reclassification**
Statement of financial position			
Trade and other current payables	131,298,133.40	4,488,319.92	135,786,453.32
Other current liabilities	4,488,319.92	(4,488,319.92)	-

5 Cash and cash equivalents

	Baht	
	2025	**2024**
Cash on hand	34,163.00	38,408.00
Cash at bank – current account	13,486,487.74	11,434,496.37
Total	**13,520,650.74**	**11,472,904.37**

6 Trade and other current receivables

	Baht	
	2025	**2024**
Trade account receivables	65,088,177.17	68,845,837.68
Other current receivables	-	4,849.73
Reimbursement	242,000.00	3,355,528.96
Accrued income	26,147,066.60	28,623,999.87
Total	**91,477,243.77**	**100,830,216.24**

7 Other current assets

	Baht	
	2025	**2024**
Prepaid expenses	2,007,253.43	1,565,952.62
Others	459,054.00	503,456.34
Total	**2,466,307.43**	**2,069,408.96**

8 Leasehold improvement and equipment

	Baht			
	April 1, 2024	Increase	Decrease	March 31, 2025
Cost				
Leasehold improvement	51,895,662.30	182,370.00	-	52,078,032.30
Furniture and fixture	11,111,032.24	250,218.40	-	11,361,250.64
Computer	12,085,924.91	459,193.27	-	12,545,118.18
Vehicles	7,441,201.93	-	-	7,441,201.93
Equipment	13,325,181.45	178,536.37	-	13,503,717.82
Total	**95,859,002.83**	**1,070,318.04**	-	**96,929,320.87**
Accumulated depreciation				
Leasehold improvement	28,099,450.83	3,027,262.19	-	31,126,713.02
Furniture and fixture	10,726,419.47	180,635.19	-	10,907,054.66
Computer	10,614,589.06	776,915.64	-	11,391,504.70
Vehicles	3,784,351.90	5,513.86	-	3,789,865.76
Equipment	11,945,215.42	559,141.64	-	12,504,357.06
Total	**65,170,026.68**	**4,549,468.52**	-	**69,719,495.20**
Leasehold improvement and equipment - net	**30,688,976.15**			**27,209,825.67**
Depreciation for the year				**4,549,468.52**

	Baht			
	April 1, 2023	Increase	Decrease	March 31, 2024
Cost				
Leasehold improvement	48,403,728.36	3,491,933.94	-	51,895,662.30
Furniture and fixture	10,983,330.35	127,701.89	-	11,111,032.24
Computer	10,942,952.87	1,142,972.04	-	12,085,924.91
Vehicles	7,441,201.93	-	-	7,441,201.93
Equipment	12,923,968.40	401,213.05	-	13,325,181.45
Total	**90,695,181.91**	**5,163,820.92**	-	**95,859,002.83**
Accumulated depreciation				
Leasehold improvement	25,330,437.67	2,769,013.16	-	28,099,450.83
Furniture and fixture	10,511,250.36	215,169.11	-	10,726,419.47
Computer	10,055,015.56	559,573.50	-	10,614,589.06
Vehicles	3,775,577.00	8,774.90	-	3,784,351.90
Equipment	11,361,196.92	584,018.50	-	11,945,215.42
Total	**61,033,477.51**	**4,136,549.17**	-	**65,170,026.68**
Leasehold improvement and equipment - net	**29,661,704.40**			**30,688,976.15**
Depreciation for the year				**4,136,549.17**

9 Intangible assets

	Baht	
	2025	**2024**
Computer software	4,531,630.13	4,125,630.13
Purchase Computer software	756,607.49	406,000.00
Total cost	**5,288,237.62**	**4,531,630.13**
Less: accumulated amortization	(3,994,578.78)	(3,700,177.72)
Intangible assets - net	**1,293,658.84**	**831,452.41**

10 Trade and other current payables

	Baht	
	2025	**2024 (Reclassification)**
Trade account payables – third parties	18,596,005.06	25,232,755.43
Other current payables – related parties	114,700,887.81	91,271,195.38
Accrued expense	4,154,561.03	4,953,016.10
Accrued interest	7,615,205.57	7,326,144.24
Guarantee for damage or loss of goods by employees	2,432,431.25	2,515,022.25
Undue output vat	2,493,929.79	2,728,127.15
Payable to Revenue Department	2,498,968.06	1,760,192.77
Total	**152,491,988.57**	**135,786,453.32**

11 Short-term loan

On May 8, 2018, the Company had entered into a short-term loan agreement with a related party, TVS Supply Chain Solutions Pte Ltd. amounting to THB 150 million bore interest rate at 7% per annum. Under the agreement, loan amount can roll over and the Company must repay the whole amount or partially within 60 days upon request. As at March 31, 2025, the Company had outstanding loan of Baht 109 million (2024 : THB 109 million). Thereafter, on April 1, 2024, the parties entered into an amendment agreement to revise the interest rate to 3% per annum, effective from April 1, 2024.

On March 21, 2024 the Company had entered into a short-term loan agreement with a related party, TVS SCS Logistics Co., Ltd. amounting to THB 10 million bore interest rate at 3% per annum. Under the agreement, loan amount can roll over and the Company must repay the whole amount upon request. As at March 31, 2024, the Company had outstanding loan of THB 10 million.

On March 31, 2025, the Company had fully repaid the loan.

12 Non-current provisions for employee benefits

The Company set up provision for employee retirement benefits for all permanent employees. Employees are entitled to received compensation upon retirement and termination in accordance with the Thai labor law. The estimation bases on number of years of service and average employee turnover rate.

Employee benefit expenses were presented under administrative expense caption in statement of income.

	Baht	
	2025	**2024**
As at April 1	5,110,556.16	3,390,239.85
Provisions for employee benefits increased	1,095,492.64	1,720,316.31
Employee benefit provisions paid during the year	(70,700.25)	-
As at March 31	**6,135,348.55**	**5,110,556.16**

13 Cost form rendering services

	Baht	
	2025	**2024**
Rental expenses	125,876,771.65	82,213,825.96
Transportation	131.871,377.17	172,851,601.59
Employee benefit expenses	56,113,359.77	68,909,682.31
Travelling expenses	-	79,386.00
Depreciation	3,760,995.26	3,520,913.17
Entertainment	-	117,579.00
Others	45,042,998.35	31,186,704.90
Total	**362,665,502.20**	**358,879,692.93**

14 Selling expenses

	Baht	
	2025	**2024**
Entertainment	622,710.55	437,421.12
Travelling expenses	537,360.92	668,541.97
Total	**1,160,071.47**	**1,105,963.09**

15 Administrative expenses

	Baht	
	2025	**2024**
Employee expenses	30,156,788.40	14,975,648.01
Professional services	29,838,065.01	25,429,498.10
Rental expenses	2,311,203.88	2,460,367.91
Depreciation	1,082,874.32	838,702.24
Other fees	74,592.40	73,917.64
Others	4,018,248.86	20,955,991.71
Total	**67,481,772.87**	**64,734,125.61**

16 Commitments from operating lease

The minimum lease payment for operating lease:

	Baht	
	2025	**2024**
Within 1 year	61,055,735.00	66,587,398.00
After 1 year but within 5 years	35,486,480.00	84,504,258.00
Total	**96,542,215.00**	**151,091,656.00**

17 Approval of financial statements

The financial statements were approved and authorized by the directors on May 23, 2025

We certify that the above information is true and accurate in all respects.

(Mrs. Duongjai Kornkosiyakarj)
Director

TVS Supply Chain Solutions Australia Holdings Pty Ltd

FY 2024-25

Independent auditor's report to the members of TVS Supply Chain Solutions Australia Holdings Pty Ltd

Opinion

We have audited the financial report of TVS Supply Chain Solutions Australia Holdings Pty Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 March 2025, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cashflows for the year then ended notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the Company's and the Group's financial position as at 31 March 2025 and of their financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company or the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young

BJ Pollock
Partner
Melbourne
27 June 2025

TVS Supply Chain Solutions Australia Holdings Pty. Ltd.

CONSOLIDATED STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

The Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

	Notes	2025 $'000	2024 $'000
Revenue	5	107,246	80,205
Cost of sales		(91,417)	(63,031)
Gross profit		**15,829**	**17,174**
Other income		131	9
Depreciation and amortisation expenses		(3,792)	(3,496)
Administrative expenses	6	(7,684)	(8,280)
Foreign exchange (loss)/gain		(109)	(343)
Other operating expenses	7	(4,684)	(7,057)
Operating (loss)/profit		**(309)**	**(1,993)**
Finance costs		(3)	(16)
Finance income		128	82
(Loss)/profit before income tax		**(184)**	**(1,927)**
Income tax benefit/(expense)	8	287	(471)
Net (loss)/profit for the financial year		**103**	**(2,398)**
Other comprehensive income:			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		58	(168)
Total comprehensive (loss)/income for the year, net of tax		**161**	**(2,566)**
Loss/profit attributable to:			
Equity holders of the parent		103	(2,398)
Non-controlling interests		-	-
		103	**(2,398)**
Total comprehensive income attributable to:			
Equity holders of the parent		161	(2,566)
Non-controlling interests		-	-
		161	**(2,566)**

TVS Supply Chain Solutions Australia Holdings Pty. Ltd.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

The Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

	Notes	2025 $'000	2024 $'000
Assets			
Current assets			
Cash and cash equivalents	9	7,251	9,914
Trade and other receivables	10	12,556	10,407
Work in progress	11	184	479
Prepayments and other assets		385	426
Loans receivable	12	4,003	2,794
Current tax receivable		1,053	-
Total current assets		**25,432**	**24,020**
Non-current assets			
Right-of-use assets	18	6,965	5,114
Property, plant & equipment	13	655	846
Intangible assets	14	8,025	8,509
Deferred tax assets	8	986	639
Total non-current assets		**16,631**	**15,108**
Total assets		**42,063**	**39,128**
Liabilities and equity			
Current liabilities			
Trade and other payables	15	13,115	12,134
Lease liability	19	2,985	2,620
Provisions	16	971	1,117
Finance lease		-	88
Total current liabilities		**17,071**	**15,959**
Non-current liabilities			
Provisions	16	114	103
Lease liability	19	4,278	2,627
Total non-current liabilities		**4,392**	**2,730**
Total liabilities		**21,463**	**18,689**
Net assets		**20,600**	**20,439**

TVS Supply Chain Solutions Australia Holdings Pty. Ltd.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025 (CONTINUED)

The Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

	Notes	2025 $'000	2024 $'000
Equity			
Contributed equity	17	24,632	24,632
Other reserves	25	(5,875)	(5,933)
Retained earnings		1,843	1,740
Equity attributable to equity holders of the parent		**20,600**	**20,439**
Total equity		**20,600**	**20,439**

TVS Supply Chain Solutions Australia Holdings Pty. Ltd.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

The Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

	Note	Contributed equity $'000	Retained earnings / $'000	Foreign currency translation reserve $'000	Other reserves $'000	Total $'000	Total Equity $'000
As at 1 April 2023		**18,632**	**4,138**	**(394)**	**-**	**22,376**	**22,376**
Loss for the year, net of tax		-	(2,398)	-	-	(2,398)	(2,398)
Other comprehensive loss, net of tax		-	-	(168)	-	(168)	(168)
Total comprehensive (loss), net of tax		-	(2,398)	(168)	-	(2,566)	(2,566)
Adjustment arising from change in non-controlling interests	24	-	-	-	(5,371)	(5,371)	(5,371)
Issue of ordinary shares		6,000	-	-	-	6,000	6,000
At 31 March 2024		**24,632**	**1,740**	**(562)**	**(5,371)**	**20,439**	**20,439**
As at 1 April 2024		**24,632**	**1,740**	**(562)**	**(5,371)**	**20,439**	**20,439**
Profit for the year, net of tax		-	103	-	-	103	103
Other comprehensive loss, net of tax		-	-	58	-	58	58
Total comprehensive (loss), net of tax		-	103	58	-	161	161
At 31 March 2025		**24,632**	**1,843**	**(504)**	**(5,371)**	**20,600**	**20,600**

TVS Supply Chain Solutions Australia Holdings Pty. Ltd.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

The Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

	2025	2024
	$'000	$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	145,202	119,491
Payment to suppliers and employees	(140,405)	(110,059)
Interest received	9	60
Interest paid	(384)	(201)
Income tax paid	(2,539)	(2,362)
Net cash flows from operating activities	**1,883**	**929**
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for settlement of non-controlling interest acquisition	-	(6,000)
Purchase of property, plant and equipment	(200)	(499)
Net cash flows used in investing activities	**(200)**	**(6,499)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans to related entities	(1,209)	(2,000)
Repayment of lease liability	(3,137)	(2,840)
Share capital issued	-	6,000
Net cash flows used in financing activities	**(4,346)**	**1,160**
Net (decrease)/increase in cash and cash equivalents	(2,663)	(4,410)
Cash and cash equivalents at beginning of financial year	**9,914**	**14,324**
Cash and cash equivalents at end of financial year	**7,251**	**9,914**

TVS Supply Chain Solutions Australia Holdings Pty. Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Corporate information

The consolidated financial statements of TVS Supply Chain Solutions Australia Holdings Pty. Ltd. (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31 March 2025 were authorised for issue in accordance with a resolution of the directors on 31th May 2025.

The Company is a for profit company limited by shares, incorporated and domiciled in Australia. The direct parent is TVS Supply Chain Solutions Pte Ltd incorporated in Singapore and the ultimate parent is TV Sundaram Iyengar & Sons Limited incorporated in India.

Further information on the nature of the operations and principal activities of the Group is provided in directors' report. Information on the Group's structure and other related party relationships is provided in Note 4.

2. Significant accounting policies

Statement of compliance

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards- Simplified Disclosures and other authoritative pronouncements of the Australian Accounting Standards Board.

The Company is a for-profit, private sector entity which is not publicly accountable. Therefore, the financial report for the Company is general purpose financial report which have been prepared in accordance with Australian Accounting Standards-simplified Disclosures.

The financial report has been prepared on a historical cost basis unless otherwise stated in the notes. The financial report is presented in Australian dollars and all values are rounded to the nearest thousand ($'000) except when otherwise indicated.

The consolidated financial statements provide comparative information in respect of the previous period.

New and amended standards adopted by the Group

The Group has applied the following new or revised accounting standards which were effective in the most recent financial year and has determined that they did not have a material impact on the financial report.

- Amendment AASB 2021-5- Deferred Tax related to Assets and Liabilities arising from a Single Transaction. Clarifies Accounting for Deferred Tax on Transactions which require the recognition of both assets and liabilities.
- Amendment AASB 2021-6- Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards. Amendments to AASB7, AASB 101, AASB 134 and AASB Practice Statement 2. Requires reference to material rather than significant accounting policies and guidance of material in this context.
- Amendment AASB 2022-7- Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards. Amends AASB 7, AASB 116, AASB 124, AASB 128, AASB 134 and AASB 1054 by making minor editorial corrections and repeals redundant versions not previously repleaded when replaced.
- Amendment AASB 2023-4- International Tax Reform-Pillar Two Model Rules: Tier 2 Disclosures, Temporary mandatory exception to requirements to recognize and disclose information about DTAs and DTLs related to Pillar Two income taxes.
- Amendment AASB 2020-1 1 January 2024- Classification of Liabilities as Current or Non-current. Clarifies current and non-current liabilities, defers effective date to 1 January 2024 and aligns AASB 1060 with AASB 101.

New and amended standards adopted by the Group (continued)

The Group has not early adopted any of the new and revised Accounting Standards which have been issued but are not yet effective. The directors do not expect that the adoption of these will have a material impact onto the financial report of the company when implemented in future periods

Going concern

The consolidated financial statements are prepared on the going concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities and commitments in the normal course of business. As such, the directors believe the Group will be able to pay its debts as and when they become payable and that it is appropriate for the financial statements to be prepared on the going concern basis.

2.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

2.2 Basis of consolidation (continued)

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.2 Summary of material accounting policies

a. Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of AASB 139 Financial Instruments: Recognition and Measurement, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with AASB 139. Other contingent consideration that is not within the scope of AASB 139 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed).

a. Business combination and goodwill (continued)

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Accounting for put/forward obligation to acquire non-controlling interests (NCI)

When the Group does not have a present ownership interest over NCI of the subsidiary, the carrying amount of NCI is adjusted for its share of profit or loss and other comprehensive income of the subsidiary based on present ownership interest. A gross liability for the 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 derecognized upon settlement of the consideration to acquire NCI. The Group applies this accounting policy consistently to all such put/forward obligation as an accounting policy choice.

b. Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c. Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

d. Revenue recognition

The Group recognises revenue under AASB 15 in cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations. In those cases, revenue is recognised when (or as) the Company satisfies the performance obligations in the contract by transferring control of the promised products or services to the customer. Revenue is measured based on the amount of consideration to which the Company expects to be entitled in exchange for transferring those products or services to the customer, excluding amounts collected on behalf of third parties. For short-term advances received from customers (i.e., for renewals), the Company has applied a practical expedient to not adjust the consideration for the effects of a significant financing component.

Type of Revenue	Description
Transport and freight forwarding services	The provision of the transport/freight services takes place over time, being the time from when the aircraft/ship leaves to when it arrives at its destination. The Group is required to determine the proportion of the transportation journey that has elapsed at each reporting date for all shipments in transit and recognise revenue only in respect of the proportion of the journey completed at that point in time. Where the customer has paid for the services prior to or on the date of the shipment, a contract asset is recognised representing deferred revenue at that point in time. The transaction price under the agreements assessed is primarily determined based on the Rate Schedules, which sets out fixed unit-based charges for logistics services including freight forwarding (inland transport, destination port charges and ocean freight charges), customs clearance, and warehousing (if applicable).
Warehousing services	The Group provide contract logistics services including managing inbound logistics from suppliers, inventory control, warehousing as well as order picking, packing and distribution to end customers. The provision of warehousing services takes place over time as the customer simultaneously receives and consumes the benefit of storage services.
Customs clearance services	The Group is considered to be acting as agent for collection of pass-through costs such as customs duties, port fees, or other government charges associated with customers clearance on behalf of the customer as the Group does not exercise control over the service, cannot alter the price, and simply facilitates payment on behalf of the customer Where the Group earns no margin and does not assume service risk, fees for customs clearance services and the related pass through charges are recognised on a net basis.

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 and any taxes or duties collected on behalf of the government.

Interest income

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Other income

Other income is brought to account when earned.

e. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

e. Taxes (continued)

Deferred tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income ("OCI") or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Australian Tax consolidation legislation

TVS Supply Chain Solutions Australia Holdings Pty Ltd and its wholly owned Australian controlled entities are members of a tax-consolidated group under Australian tax law. In a tax consolidated group, the head entity and the controlled entities account for their own current and deferred tax amounts. These amounts are measures as if each entity continues to be a standalone taxpayer. In addition to its own current and deferred tax amounts, the Company also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group. Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly owned controlled entities.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable
- When receivables and payables are stated with the amount of GST included

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority. Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

f. Foreign currencies

The Group's consolidated financial statements are presented in Australian dollars, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation.

i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

ii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Australian dollars at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

g. Cash dividend

The Company recognises a liability to pay a dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws of Australia, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

h. Property, plant and equipment

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Property, plant and equipment transferred from customers are initially measured at fair value at the date on which control is obtained.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Leasehold improvements	2 to 5 years
Plant and Equipment	4 to 5 years
Motor Vehicles	4 to 5 years
Office Equipment	5 to 6 years
Furniture, Fixtures and Fittings	4 to 5 years
Computer Equipment	1 to 3.5 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

i. Leases

i) The group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

i. Leases (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under AASB 137. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

j. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

k. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Patents, trademarks and customer contracts

Separately acquired trademarks and licences are shown at historical cost. Trademarks, licenses and customer contracts acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

k. Intangible assets (continued)

Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

l. it is technically feasible to complete the software so that it will be available for use.
m. management intends to complete the software and use or sell it.
n. there is an ability to use or sell the software.
o. it can be demonstrated how the software will generate probable future economic benefits.
p. adequate technical, financial and other resources to complete the development and to use or sell
q. the software is available.
r. the expenditure attributable to the software during its development can be reliably measured.
s. Directly attributable costs that are capitalised as part of the software include employee costs and an
t. appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Customer Relationship

Intangible assets acquired in business combination relates to the long term relationship between the Group and the customers where future profits will flow to the Group. This is amortised over 3 to 10 years.

Restraint on shareholder clause

Intangible assets acquired in business combinations refers to the acquired restraint on shareholders' clause for the three years from the date on which shareholders cease to hold shares on July 2018. The shareholders will not, within the applicable restrained areas interfere with, endeavour to entice away, or supply goods and services to the Group's customers. Hence, the clause will be effective for at least 6 years and is amortised over this time line.

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

k. Intangible assets (continued)

A summary of the policies applied to the Group's intangible assets is, as follows:

	Software	Customer Relationship	Restraint on Shareholder Clause
Useful lives	3 years	3 to 10 years	6 years
Amortisation method	Amortised on a straight-line basis over the period of the estimated useful life	Amortised on a straight-line basis over the period of the customer relationship	Amortised on a straight-line basis over the period of the restraint on shareholder clause
Internally generated or acquired	Acquired	Acquired	Acquired

l. Financial instruments – initial recognition and subsequent measurement

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as loans and receivables, as appropriate. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement: Loans and receivables

This category is the most relevant to the Group. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired

Or

the asset, but has transferred control of the asset.

I. Financial instruments – initial recognition and subsequent measurement (continued)

i) Financial assets (continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. For trade receivables, the Group applies the simplified approach permitted by AASB 9 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime expected credit losses represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original EIR.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of profit or loss. Interest income (recorded as finance income in the statement of profit or loss) continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans, together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the statement of profit or loss.

l. Financial instruments – initial recognition and subsequent measurement (continued)

ii) Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement: Loan and borrowings
This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

m. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

m. Impairment of non-financial assets (continued)

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

n. Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand, which are subject to an insignificant risk of changes in value.

o. Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Long service leave and annual leave

The Group does not expect its long service leave or annual leave benefits to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

p. Contributed equity

Ordinary shares and preference shares are classified as equity.
Issued and paid-up capital is recognised at the fair value of the consideration received by the Company.

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The significant accounting estimates and judgements are:

Accounting for put/forward obligation to acquire non-controlling interests (NCI)

When the Group does not have a present ownership interest over NCI of the subsidiary, the carrying amount of NCI is adjusted for its share of profit or loss and other comprehensive income of the subsidiary based on present ownership interest. A gross liability for the 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 derecognized upon settlement of the consideration to acquire NCI. The Group applies this accounting policy consistently to all such put/forward obligation as an accounting policy choice.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Work in progress

Management's judgement is applied in determining the accrued revenue booked under work in progress. The margin is estimated based on the rate of historical transactions. When sales invoice is issued, the accrued revenue posted will be reversed out and recognised the actual sales invoice amount.

3. Significant accounting judgements, estimates and assumptions (continued)

Determining the lease term of contracts with renewal and termination options – Group as lessee

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 by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The renewal periods for leases of premises with longer non-cancellable periods (i.e., 5+ years) are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

4. Group information

The consolidated financial information of the Group includes the following subsidiaries of TVS Supply Chain Solutions Australia Holdings Pty Ltd:

Name	Principal activities	Country of incorporation	% of equity interest	
			2025	2024
T,I.F. Holdings Pty Ltd	Holding Company	Australia	100%	100%
TVS SCS (Aust) Pty. Ltd.	Freight Forwarding	Australia	100%	100%
TVS SCS New Zealand Limited	Freight Forwarding	New Zealand	100%	100%
Transtar International Freight (Shanghai) Co Ltd	Freight Forwarding	China	100%	100%
Transtar International Freight Ltd	Freight Forwarding	Hong Kong	100%	100%
TVS SCS International Freight (Singapore) Pte. Ltd.	Freight Forwarding	Singapore	100%	100%
Transtar International Freight Malaysia Sdn Bhd	Freight Forwarding	Malaysia	100%	100%
TVS Supply Chain Solutions Holdings Limited	Freight Forwarding	Thailand	100%	100%
Kahn Nominees Pty Ltd	Holding Company	Australia	100%	100%

5. Revenue from contracts with customers

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	2025 $'000	2024 $'000
Type of service		
Transport and freight forwarding services	100,130	73,621
Warehouse services	7,116	6,584
Total revenue from contracts with customers	**107,246**	**80,205**
Geographical markets		
Australia	101,875	73,860
New Zealand	5,371	6,345
Total revenue from contracts with customers	**107,246**	**80,205**
Timing of revenue recognition		
Services transferred over time	107,246	80,205
Total revenue from contracts with customers	**107,246**	**80,205**

6. Administrative expenses

Wages and salaries	7,085	7,570
Other administrative expenses	599	710
Total administrative expenses	**7,684**	**8,280**

7. Other operating expenses

Service fees	1,946	1,912
Computer software	784	842
Travelling expenses	68	104
Telecommunication expenses	74	77
Insurance	139	220
Advertising expenses	23	43
Other operating expenses	1,650	3,859
Total other operating expenses	**4,684**	**7,057**

	2025	2024
	$'000	$'000

8. Income tax

The major components of income tax (benefit)/expense for the years ended 31 March 2025 and 2024 are:

Consolidated Profit or Loss

Current income tax:		
Current income tax charge	64	785
Deferred tax:		
Relating to origination and reversal of temporary differences	(351)	(314)
Income tax (benefit)/expense reported in the statement of profit or loss	**(287)**	**471**

Reconciliation of tax (benefit)/expense and accounting profit multiplied by domestic tax rate for 2025 and 2024:

Accounting (Loss)/Profit before income tax	**(184)**	**(1,927)**
At Australia's statutory income tax rate of 30% (2024:30%)	(55)	(578)
Adjustments in respect of current income tax of previous years	(260)	1,186
Effect of different tax rates of subsidiaries operating in other jurisdictions	4	(29)
Non-deductible expenses for tax purposes	5	7
Non-assessable income	-	(96)
Other	19	(19)
At the effective income tax rate of 30% (2024: 30%)	**(287)**	**471**
Income tax (benefit)/expense reported in the statement of profit or loss	**(287)**	**471**

8. Income tax (continued)

Deferred Tax

Deferred tax relates to the following:

		Consolidated statement of financial position	
	2024	Recognised in Profit/(loss)	2025
	$'000	$'000	$'000
Employee benefits provision	364	(39)	325
Carried forward tax losses	195	194	389
Others	80	192	272
Net deferred tax assets/(liabilities)	**639**	**347**	**986**

9. Cash and Cash Equivalents

	2025	2024
	$'000	$'000
Cash at bank	7,251	9,914
	7,251	**9,914**

10. Trade and Other Receivables

Trade receivables from external party	11,470	10,218
Receivables from related parties (Note 19)	1,159	239
Allowance for credit losses	(73)	(50)
	12,556	**10,407**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

The average credit period on service is 60 days. No interest is charged on outstanding trade receivables.

10. Trade and Other Receivables (continued)

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The calculated total expected credit losses as at 31 March 2025 is $1,483 (2024: $4,087). The Group has also provided a list of specific loss allowance of $71,343 (2024: $45,913). The specific allowance is for receivables over 120 days past due because historical disputes has indicated that these receivables are less likely to be recoverable.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are long under disputes and under management's decision to write off based on commercial reasons. None of the trade receivables that have been written off is subject to enforcement activities.

11. Work in Progress

	2025	2024
	$'000	$'000
Work in Progress at cost	**184**	**479**

12. Loan Receivable

Advance to related parties	2,003	794
Loan receivable from parent entity	2,000	2,000
	4,003	**2,794**

The loan receivable of $2million relates to an intercompany loan provided to TVS Supply Chain Solutions Pte Ltd. which is repayable on demand. The interest rate, calculated from the disbursement date for the respective Loan are as at 6% p.a.

The short term advance of $2million relates to an intercompany loan provided to TVS SCS Singapore Pte Ltd at interest free, repayable within in 12 months

13. Property, Plant and Equipment

	Fixtures & Fittings	Leasehold Improvements	Computers	Office Equipment	Warehouse Equipment	Motor Vehicles	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost							
At March 31, 2024	70	692	514	77	1,735	40	3,128
Additions	19	49	23	-	109	-	200
Exchange difference	-	(2)	-	-	(5)	-	(7)
At March 31, 2025	**89**	**739**	**537**	**77**	**1,839**	**40**	**3,321**
Depreciation							
At March 31, 2024	**42**	**515**	**453**	**74**	**1,158**	**40**	**2,282**
Depreciation charge for the year	17	88	42	2	241	-	390
Exchange difference	-	(1)	-	-	(5)	-	(6)
At March 31, 2025	**59**	**602**	**495**	**76**	**1,394**	**40**	**2,666**
Net book value							
At 31 March 2025	**30**	**137**	**42**	**1**	**445**	**-**	**655**
At 31 March 2024	**28**	**177**	**61**	**3**	**577**	**-**	**846**

14. Intangible Assets

	Goodwill	Patents & Trademarks	Software	Customer Relationship	Restraint on Shareholder Clause	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Cost						
At March 31, 2024	7,850	12	408	6,230	644	15,144
At March 31, 2025	**7,850**	**12**	**408**	**6,230**	**644**	**15,144**
Amortisation and impairment						
At March 31, 2024	-	-	(401)	(5,590)	(644)	(6,635)
Amortisation	-	-	(4)	(480)	-	(484)
At March 31, 2025	**-**	**-**	**(405)**	**(6,070)**	**(644)**	**(7,119)**
Net book value						
At 31 March 2025	**7,850**	**12**	**3**	**160**	**-**	**8,025**
At 31 March 2024	**7,850**	**12**	**7**	**640**	**-**	**8,509**

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. More frequent reviews are performed for indications of impairment of all the Group's assets including customer relationships and operating assets.

In accordance with the Group's accounting policies, the Group has evaluated whether the recoverable amount of the Group's cash generating unit including goodwill exceeds its carrying amount. A value-in-use model is used to determine recoverable amount which projects future cash flows over a five-year period with the period beyond five years extrapolated using an estimated growth rate.

The cash flows are discounted at an appropriate rate to derive the recoverable amount. The following key assumptions were used:

- overhead costs based on inflationary impacts offset by ongoing cost efficiencies;
- in the period beyond 5 years a long term growth rate of 2% and
- pre-tax discount rate of 11%.

The assumptions are based on the Group's budgeted operating and financial performance and represent management's best estimate at 31 March 2025. Based on the recoverable amount of the CGU exceeding its aggregate carrying amount at year end, there was no impairment charge.

15. Trade and Other Payables

	2025	2024
Current	**$'000**	**$'000**
Trade payables to external parties	5,772	6,649
Payables to related parties (Note 19)	5,553	2,160
Other payables	1,790	3,325
	13,115	**12,134**

16. Provisions

	2025 $'000	2024 $'000
Current		
Annual leave	574	643
Long service leave	397	474
	971	**1,117**
Non-current		
Long service leave	114	103
	114	**103**

17. Contributed equity

	2025 $'000	2024 $'000
Issued and fully paid ordinary shares	24,632	24,632
	24,632	**24,632**

The issued capital as of 31 March 2025 of $24,631,953 (2024: $ 24,631,953) being 24,631,953 ordinary shares at $1 fully paid.

Ordinary shares have dividend and voting rights attached.

18. Right of use assets

The Group has lease contracts for various premises and items of plant and other equipment used in its operations. Leases of plant and equipment generally have lease terms between 1 and 2 years, while premises leases generally have lease terms between 3 and 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases as disclosed below.

Several lease contracts include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

	Building	Total
Balance as at 1st April 2023	3,362	3,362
Additions	4,386	4,386
Amortisation	(2,589)	(2,589)
Currency translation and others	(45)	(45)
Balance as at 31st March 2024	**5,114**	**5,114**
Additions	4,772	4,772
Amortisation	(2,918)	(2,918)
Currency translation and others	(3)	(3)
Balance as at 31st March 2025	**6,965**	**6,965**

19. Lease liabilities

	2025 $'000	2024 $'000
Secured		
Current	2,985	2,620
Non-current	4,278	2,627
	7,263	**5,247**

Future minimum lease payments

The future minimum lease payments arising under the Group's lease contracts at the end of the reporting period are as follows:

	2025 $'000	2024 $'000
Not later than one year	3,369	2,777
Later than one year and not later than five years	4,517	3,131
Later than five years	-	-
	7,886	**5,908**

Short-term leases and leases of low value assets

The recognition exemptions for short-term leases that have a lease term of 12 months or less and leases of low-value assets has been applied. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term in the statement of profit or loss and other comprehensive income as below:

	2025 $,000	2024 $,000
Lease and hire expenses	**12**	**50**

20. Related party disclosures

a. Parent entity

TVS Supply Chain Solutions Pte. Ltd. is the parent entity of the Group and the ultimate controlling entity is TV Sundaram Iyengar & Sons Private Ltd.

b. Transactions and balances with related parties

The following related party transactions and balances occurred during the financial year:

Sales to related parties

	2025	2024
	$,000	$,000
- TVS SUPPLY CHAIN SOLUTIONS PTE LTD	-	17
- TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	58	103
- TVS SCS LOGISTICS (THAILAND) LIMITED	13	23
- PT. PAN ASIA LOGISTICS INDONESIA	-	13
- TVS SCS LOGISTICS LTD	379	79
- TVS SCS SINGAPORE PTE. LTD.	524	318
- TVS SCS TAIWAN LIMITED	-	1
- TVS SCS LOGISTICS LTD GUANGZHOU BRANCH	23	-
- HANOI BRANCH OF TVS SCS VIETNAM COMPANY LIMITED	-	16
- TVS SCS VIETNAM COMPANY LIMITED	8	34
- TVS SCS MALAYSIA SDN BHD	38	19
- TVS SCS LOGISTICS LTD NINGBO BRANCH	7	3
- TVS SCS DEUTSCHLAND GMBH	46	-
- TVS SCS HONG KONG LTD.	3	-
- TVS SCS LOGISTICS LTD QINGDAO BRANCH	2	-
- PT. TVS SCS INDONESIA	8	-
- RICO LOGISTICS PTY LTD	238	-
- TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	34	-
- TVS SCS RICO ITALIA SRL	2	-
- TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA, INC.(GFS US)	1	-
	1,384	**626**

20. Related party disclosures (continued)

Purchases from related parties

		2025	2024
		$,000	$,000
-	TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	96	97
-	TVS SCS LOGISTICS (THAILAND) LIMITED	94	122
-	TVS SCS HONG KONG LTD.	54	71
-	TVS SCS (KOREA) LTD.	111	111
-	TVS SCS LOGISTICS LTD	697	610
-	TVS SCS SINGAPORE PTE. LTD.	624	271
-	TVS SCS TAIWAN LIMITED	10	20
-	TVS SCS DEUTSCHLAND GMBH	221	225
-	TVS SCS LOGISTICS LTD BEIJING BRANCH	41	34
-	TVS SCS VIETNAM COMPANY LIMITED	149	158
-	PT. PAN ASIA LOGISTICS INDONESIA	-	15
-	TVS SCS MALAYSIA SDN BHD	75	54
-	TVS SCS LOGISTICS LTD GUANGZHOU BRANCH	596	335
-	TVS SCS LOGISTICS LTD SHENZHEN BRANCH	245	264
-	TVS SCS LOGISTICS LTD NINGBO BRANCH	117	62
-	TVS SCS LOGISTICS LTD TIANJIN BRANCH	86	98
-	TVS SCS LOGISTICS LTD QINGDAO BRANCH	42	56
-	TVS SCS LOGISTICS LTD WUHAN BRANCH	198	54
-	TVS SCS PHILIPPINES CORPORATION	5	-
-	PT. TVS SCS INDONESIA	8	-
-	TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	147	-
-	TVS SCS RICO ITALIA SRL	147	-
-	TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA, INC.(GFS US)	2,091	-
-	TVS SUPPLY CHAIN LOS ANGELES BRANCH	15	-
-	TVS SCS JAPAN (REPRESENTATIVE OFFICE) C/O MITSUI-SOKO EXPRESS	1	-
		5,870	**2,657**

20. Related party disclosures (continued)

Amount owed by related parties

	2025 $,000	2024 $,000
- TVS SUPPLY CHAIN SOLUTIONS PTE LTD	100	119
- HANOI BRANCH OF TVS SCS VIETNAM COMPANY LIMITED	-	4
- TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	24	1
- TVS SCS (KOREA) LTD.	-	(1)
- TVS SCS LOGISTICS LTD	12	12
- TVS SCS MALAYSIA SDN BHD	-	2
- TVS SCS SINGAPORE PTE. LTD.	1,262	25
- TVS SCS VIETNAM COMPANY LIMITED	4	4
- TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	4	14
- RICO LOGISTICS PTY LTD	100	36
- TVS SCS JAPAN (REPRESENTATIVE OFFICE) C/O MITSUI-SOKO EXPRESS	-	1
- TVS SCS LOGISTICS LTD SHENZHEN BRANCH	-	1
- TVS SCS LOGISTICS LTD NINGBO BRANCH	-	2
- TVS SCS LOGISTICS LTD QINGDAO BRANCH	-	-
- TVS SCS LOGISTICS LTD GUANGZHOU BRANCH	12	-
- TVS SCS DEUTSCHLAND GMBH	2	-
- PT. TVS SCS INDONESIA	(23)	-
- TVS SCS RICO ITALIA SRL	(6)	-
- TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA, INC.(GFS US)	(59)	-
- TVS SCS LOGISTICS (THAILAND) LIMITED	(293)	-
- TVS SCS TAIWAN LIMITED	(12)	-
- TVS SCS HONG KONG LTD.	(24)	-
- OTHERS	56	19
	1,159	**239**

20. Related party disclosures (continued)

Amount owed to related parties

	2025	2024
	$,000	$,000
- TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	-	-
- TVS SCS LOGISTICS (THAILAND) LIMITED	1	30
- TVS SCS HONG KONG LTD.	8	4
- TVS SCS MALAYSIA SDN BHD	87	13
- TVS SCS (KOREA) LTD.	818	722
- TVS SCS LOGISTICS LTD	3,306	69
- TVS SCS SINGAPORE PTE. LTD.	824	1,048
- TVS SCS TAIWAN LIMITED	1	1
- TVS SCS DEUTSCHLAND GMBH	56	33
- TVS SCS LOGISTICS LTD BEIJING BRANCH	8	3
- TVS SCS VIETNAM COMPANY LIMITED	62	115
- PT. PAN ASIA LOGISTICS INDONESIA	-	1
- TVS SCS LOGISTICS LTD GUANGZHOU BRANCH	79	73
- TVS SCS LOGISTICS LTD SHENZHEN BRANCH	27	22
- TVS SCS LOGISTICS LTD NINGBO BRANCH	11	10
- TVS SCS LOGISTICS LTD TIANJIN BRANCH	8	21
- TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	5	15
- TVS SCS RICO ITALIA SRL	6	20
- TVS SCS LOGISTICS LTD QINGDAO BRANCH	10	5
- TVS SUPPLY CHAIN SOLUTIONS PTE LTD	84	(76)
- TVS SCS LOGISTICS LTD WUHAN BRANCH	7	23
- TVS SCS PHILIPPINES CORPORATION	5	-
- TVS SUPPLY CHAIN SOLUTIONS NORTH AMERICA, INC.(GFS US)	88	-
- OTHERS	52	8
	5,553	**2,160**

20. RELATED PARTY DISCLOSURES (CONTINUED)

	2025 $,000	2024 $,000
Service fees paid to Parent	1,611	1,996
Advance to related parties (Note 12)		
- TVS SCS SINGAPORE PTE LTD	2,003	-
- TRANSTAR INTERNATIONAL FREIGHT (SHANGHAI) LIMITED	-	794
Loan receivable from parent company (Note 12)		
- TVS SUPPLY CHAIN SOLUTIONS PTE LTD	2,000	2,000
Compensation of key management personnel of the Group		
Total compensation paid to key management personnel	1,582	643

21. Events after the reporting period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years, other than as disclosed in its financial report.

22. Disclosure of auditor's remuneration

The financial statements have been audited by Deloitte Touche Tohmatsu, Australia in respect of the year ended 31 March 2024 and Ernst & Young for the year ended 31 March 2025.

For auditing the statutory financial report of the parent covering the Group and auditing the statutory financial reports of any controlled entities:

	2025 $,000	2024 $,000
- TVS SUPPLY CHAIN AUSTRALIA HOLDINGS PTY. LTD	238	217
- TVS SCS NEW ZEALAND LIMITED	25	28

23. Information relating to TVS Supply Chain Solutions Australia Holdings Pty Ltd (the Parent)

	2025	2024
	$'000	$'000
Current assets	33	683
Total assets	9,432	10,419
Current liabilities	3,661	4,310
Total liabilities	3,661	4,310
Issued capital	24,632	24,632
Retained earnings	(11,947)	(11,610)
	12,685	**13,022**
Profit/(Loss) of the Parent entity	**43**	**(888)**
Total Comprehensive loss of the Parent Entity	**43**	**(888)**

24. Contingent liability

As at the reporting date, the Group is not aware of any contingent liabilities that would have a material impact on the financial statements

25. Reserves

Other equity

Capital reserve brought forward from the prior year represents effects of changes in ownership interest in subsidiaries when there is no change in control.

Foreign currency translation reserve

Exchange differences relating to translation from the functional currencies of foreign operations into Australian dollars are brought to account by entries made directly to the foreign currency translation reserve.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of TVS Supply Chain Solutions Australia Holdings Pty. Ltd., we state that:

In the opinion of the directors:

(a) The financial statements and notes of TVS Supply Chain Solutions Australia Holdings Pty. Ltd. for the financial year ended 31 March 2025 are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 31 March 2025 and its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*;

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Director: _____
James Payne



Director: _____
Vittorio Favati

Dated this 27th of June 2025

TVS SCS New Zealand Limited

FY 2024-25

Independent auditor's report to the shareholder of TVS SCS New Zealand Limited

Opinion

We have audited the financial statements of TVS SCS New Zealand Limited (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended of the Company, and the notes to the financial statements including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime.

This report is made solely to the Company's shareholders, as a body. Our audit has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interest in, the Company. Partners and employees of our firm may deal with the Company on normal terms within the ordinary course of trading activities of the business of the Company.

Information other than the financial statements and auditor's report

The directors of the Company are responsible for the other information. The other information comprises the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

If, based upon 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.

Directors' responsibilities for the financial statements

The directors are responsible, on behalf of the Company, for the preparation and fair presentation of the financial statements in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing on behalf of the Company the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (New Zealand) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board website: https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-8/. This description forms part of our auditor's report.

Ernst & Young

Melbourne
27 June 2025

TVS SCS New Zealand Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	Note	31 March 2025	31 March 2024
Revenue from contracts with customers	3	6,860,724	7,734,126
Cost of sales	4	(5,187,606)	(5,736,771)
Gross profit		**1,673,118**	**1,997,355**
Other operating income		13,670	24,961
Selling and distribution expenses		(2,931)	(11,627)
Administration expenses	5	(68,211)	(78,389)
Wages and salaries		(688,865)	(887,397)
Management fees	19	(109,383)	(160,971)
Rental and operating lease expense		(40,379)	(57,971)
Other expenses	8	(1,322,494)	(1,383,387)
Finance costs	6	(121,862)	(47,262)
(Loss)/profit before income tax		**(667,337)**	**(604,688)**
Income tax benefit/(expense)	9	128,098	178,511
Net (loss)/profit for the financial year		**(539,239)**	**(426,177)**
Other comprehensive income		-	-
Total other comprehensive income		-	-
Total comprehensive (loss)/income for the year		**(539,239)**	**(426,177)**

The accompanying notes form part of these financial statements.

TVS SCS New Zealand Limited

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Note	31 March 2025	31 March 2024
CURRENT ASSETS			
Cash and cash equivalents	7	608,238	1,174,460
Accounts receivable	13	3,276,582	2,874,239
Prepayments		53,126	3,678
Work in progress		26,470	37,014
		3,964,416	**4,089,391**
NON CURRENT ASSETS			
Property, plant and equipment	11	58,401	168,302
Deferred tax asset	9	355,835	227,738
Right-of-use asset	12	1,882,239	450,857
		2,296,475	**846,897**
Total Assets		**6,260,891**	**4,936,288**
CURRENT LIABILITIES			
Accounts payable	14	504,639	387,622
Accruals		530,350	179,233
Other payables		99,849	86,916
Lease liabilities	20	679,723	447,379
		1,814,561	**1,101,150**
NON CURRENT LIABILITIES			
Other payables		-	95,923
Lease liabilities	20	1,246,354	-
		1,246,354	**95,923**
EQUITY			
Share capital	10	200,000	200,000
Retained earnings		2,999,976	3,539,215
Total Equity		**3,199,976**	**3,739,215**
Total equity and liabilities		**6,260,891**	**4,936,288**

The accompanying notes form part of these financial statements.

TVS SCS New Zealand Limited

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025		
		Share Capital	**Retained Earnings**	**Total Equity**
Opening balance at 1 April 2024	9	200,000	**3,539,215**	**3,739,215**
Total comprehensive loss for the year		-	(539,239)	(539,239)
Closing Balance at 31 March 2025		**200,000**	**2,999,976**	**3,199,976**

	2024		
	Share Capital	**Retained Earnings**	**Total Equity**
Opening balance at 1 April 2023	200,000	3,965,392	4,165,392
Total comprehensive loss for the year	-	(426,177)	(426,177)
Closing Balance at 31 March 2024	**200,000**	**3,539,215**	**3,739,215**

The accompanying notes form part of these financial statements.

TVS SCS New Zealand Limited

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Note	31 March 2025	31 March 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		11,622,548	10,312,298
Payments to suppliers and employees		(11,383,688)	(10,591,003)
Interest received		2,837	23,031
Interest paid	6	(115,552)	(27,693)
Income tax (paid)/refund		-	(95,184)
Net cash (used)/provided by operating activities		**126,145**	**(378,551)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment	11	(25,621)	(28,248)
Net cash used in investing activities		**(25,621)**	**(28,248)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(666,746)	(732,178)
Net cash used in financing activities		**(666,746)**	**(732,178)**
Net (decrease)/increase in cash held		**(566,222)**	**(1,138,977)**
Cash at beginning of financial year		1,174,460	2,313,437
Cash at end of financial year	7	**608,238**	**1,174,460**

The accompanying notes form part of these financial statements.

TVS SCS New Zealand Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

TVS SCS New Zealand Limited (the "Company") is a company incorporated in New Zealand, registered under the Companies Act 1993.

The accounts have been authorised for issue by the Directors on the 27 of June 2025.

MEASUREMENT BASE

Basis of Preparation

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP) and the requirements of the Company Act 1993. For the purpose of complying with NZ GAAP the Company is a for-profit entity.

The Company is eligible to report in accordance with NZ IFRS RDR on the basis that it does not have public accountability and is not a large for-profit public sector entity.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Financial statements have been prepared on the historical cost basis.

The information is presented in New Zealand $NZ.

SPECIFIC ACCOUNTING POLICIES

In the preparation of these financial statements, the specific accounting policies are as follows:

1 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

The Company recognises revenue under NZ IFRS 15 in cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations. In those cases, revenue is recognised when (or as) the Company satisfies the performance obligations in the contract by transferring control of the promised products or services to the customer.

Revenue is measured based on the amount of consideration to which the Company expects to be entitled in exchange for transferring those products or services to the customer, excluding amounts collected on behalf of third parties. For short-term advances received from customers (i.e., for renewals), the Company has applied a practical expedient to not adjust the consideration for the effects of a significant financing component.

Type of Revenue	Description
Transport and freight forwarding services	The provision of the transport/freight services takes place over time, being the time from when the aircraft/ship leaves to when it arrives at its destination. The Company is required to determine the proportion of the transportation journey that has elapsed at each reporting date for all shipments in transit and recognise revenue only in respect of the proportion of the journey completed at that point in time. Where the customer has paid for the services prior to or on the date of the shipment, a contract asset is recognised representing deferred revenue at that point in time. The transaction price under the agreements assessed is primarily determined based on the Rate Schedules, which sets out fixed unit-based charges for logistics services including freight forwarding (inland transport, destination port charges and ocean freight charges), customs clearance, and warehousing (if applicable).
Warehousing services	The Company provide contract logistics services including managing inbound logistics from suppliers, inventory control, warehousing as well as order picking, packing and distribution to end customers. The provision of warehousing services takes place over time as the customer simultaneously receives and consumes the benefit of storage services.
Customs clearance services	The Company is considered to be acting as agent for collection of pass-through costs such as customs duties, port fees, or other government charges associated with customers clearance on behalf of the customer as the Company does not exercise control over the service, cannot alter the price, and simply facilitates payment on behalf of the customer. Where the Company earns no margin and does not assume service risk, fees for customs clearance services and the related pass through charges are recognised on a net basis.

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 and any taxes or duties collected on behalf of the government.

Interest income

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Other income

Other income is brought to account when earned.

1 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset of as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, is included in the appropriate category in the statement of financial position.

Property Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Depreciation has been calculated based on estimate of economic useful life.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

- Leasehold improvements	2 to 5 years
- Plant and Equipment	4 to 5 years
- Motor Vehicles	4 to 5 years
- Office Equipment	5 to 6 years
- Furniture, Fixtures and Fittings	4 to 5 years
- Computer Equipment	1 to 3.5 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Loss allowance

The Company has applied the simplified approach under NZ IFRS 9, requiring expected lifetime losses to be recognized from initial recognition of the receivables, further, any known non-recoverable debts, not get written off have been specifically recognized in the provision for doubtful debts.

1 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Operating Expenses

Operating expenses are recognised in profit and loss upon utilisation of the service.

Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Company and which have not been paid at reporting date. Given their short term nature, the carrying values of trade and other payables are considered a reasonable approximation of their fair values.

Current Income Tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The Tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Comprehensive Income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred liability arises from the initial recognised of goodwill or an asset or liability in a transaction that is not a business combination and, at the time the transaction, affect neither the accounting profit nor taxable profit and loss

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred tax is recognized for all deductible temporary differences, the carry forward of unused tax credits and an unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses, can be utilized except:

- When the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised

1 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Work in Progress

Work in progress is calculated at actual cost incurred and does not include any portion of fixed or variable overhead expenses.

Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

i) Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;

ii) Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

The amount expected to be payable by the lessee under residual value guarantees;

The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

1 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under NZ IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies NZ IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

Foreign Currency

Both the functional and presentation currency for the Company is New Zealand ($NZ).

Transactions in foreign currencies are initially recorded in the functional currency at exchange rates prevailing on the date of the transaction. Monetary items dominated in foreign currencies are retranslated at exchange rates prevailing on the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Translation differences are recognised in the statement of comprehensive income in the period in which they arise.

Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

1 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Classification and subsequent measurement

i) Debt instruments that meet the following conditions are measured subsequently at amortised cost:

• the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

• the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

• the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; 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.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Impairment

The carrying amounts of the Company's assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the statement of comprehensive income.

Estimated recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the assets and discounting these to their present value using a pre-tax discount rate that reflect current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses are reversed when there is a change in the estimates used to determine the recoverable amount. An Impairment loss is reversed though profit and loss.

Share Capital

Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

Employee Benefits

Defined Contribution Pension Plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the statement of comprehensive income as incurred.

1 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Cash and cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term, highly liquid investments with original maturities of three months or less, net of bank overdrafts.

2 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

The preparation of these financial statements requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are applied prospectively.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Work in progress

Management's judgement is applied in determining the accrued revenue booked under work in progress. The margin is estimated based on the rate of historical transactions. When sales invoice is issued, the accrued revenue posted will be reversed out and recognised the actual sales invoice amount.

Determining the lease term of contracts with renewal and termination options – Group as lessee

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 by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

2 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

The renewal periods for leases of premises with longer non-cancellable periods (i.e., 5+ years) are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

3 REVENUE

	31 March 2025	31 March 2024
Type of service		
Transport and freight forwarding services	5,656,095	6,615,703
Warehouse services	1,204,629	1,118,423
Total revenue from contracts with customers	**6,860,724**	**7,734,126**
Timing of revenue recognition		
Services transferred over time	6,860,724	7,734,126
Total revenue from contracts with customers	**6,860,724**	**7,734,126**

4 COST OF SALES

Freight, cartage & associated costs	5,187,606	5,736,771
	5,187,606	**5,736,771**

5 ADMINSTRATION EXPENSES

Accounting, secretarial and other expenses	52,611	50,330
Insurance expenses	15,600	28,059
	68,211	**78,389**

6 FINANCE COSTS

Fees and charges	6,310	19,569
Interest on lease	115,552	27,693
	121,862	**47,262**

7 CASH AND CASH EQUIVALNTS

Cash on hand	100	100
Cash at bank	608,138	1,174,360
	608,238	**1,174,460**

		31 March 2025	31 March 2024
8	**OTHER OPERATING EXPENSES**		
	Depreciation and amortization expense	849,583	877,666
	Motor vehicle allowance	23,942	41,472
	Training and development	1,456	-
	Motor vehicle expenses	-	3,101
	Telephone	14,966	18,023
	Other	432,547	443,125
		1,322,494	**1,383,387**
9	**TAXATION**		
	Net (loss)/profit before taxation	(667,337)	(604,687)
	Income tax @ 28%	(186,854)	(169,312)
	Add tax effect of:		
	Other non-deductible items	36	820
	Prior year adjustment	3,219	(10,019)
	Unrecognized tax losses	55,501	-
	Tax (benefit)/expense	**(128,098)**	**(178,511)**
	The income tax expense/(benefit) is represented by:		
	Current expense	(133,562)	(6,623)
	Deferred tax	5,464	(171,888)
	Income tax expense/(benefit)	**(128,098)**	**(178,511)**
	Deferred tax		
	Deferred tax relates to the following:		
	Employee entitlements	15,445	26,725
	Accrual	7,857	8,400
	Carry forward tax losses	328,321	194,759
	Others	4,212	(2,146)
	Net deferred tax asset	**355,835**	**227,738**

		31 March 25	31 March 24
10	**SHARE CAPITAL**		
	200,000 ordinary shares authorised, issued and fully paid (2024: 200,000)	200,000	200,000
		200,000	**200,000**

All shares have equal voting rights and share equally in dividends and surplus on winding up. The shares have no par value.

None of the shares are held by the Company.

11	**PROPERTY, PLANT AND EQUIPMENT**		
	Warehouse plant and equipment		
	Net book value at 1 April 2024	119,700	233,509
	Additions	25,621	8,022
	Depreciation charge	(101,178)	(121,831)
	Net book value at 31 March 2025	**44,143**	**119,700**
	Furniture and Fittings		
	Net book value at 1 April 2024	897	1,201
	Depreciation charge	(293)	(304)
	Net book value at 31 March 2025	**604**	**897**
	Computer software and equipment		
	Net book value at 1 April 2024	6,109	5,550
	Additions	-	5,086
	Depreciation charge	(3,887)	(4,527)
	Net book value at 31 March 2025	**2,222**	**6,109**
	Leasehold improvements		
	Net book value at 1 April 2024	41,596	63,116
	Additions	-	15,140
	Depreciation charge	(30,164)	(36,660)
	Net book value at 31 March 2025	**11,432**	**41,596**
	Total Depreciation	**135,522**	**163,322**
	Property, plant and equipment	**58,401**	**168,302**

12 RIGHT-OF-USE ASSETS

The Company has lease contracts for the premises used in its operations. Premises leases generally have lease terms between 5 and 10 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases as disclosed in note 20.

Several lease contracts include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

	Building	Total
Balance as at 31 March 2024	450,857	450,857
Additions	2,145,443	2,145,443
Amortization	(714,061)	(714,061)
Balance as at 31 March 2025	**1,882,239**	**1,882,239**

13 TRADE AND OTHER RECEIVABLES

Trade receivables from external party	992,669	733,978
Receivables from related parties (Note 19)	2,283,913	2,140,261
	3,276,582	**2,874,239**

14 TRADE AND OTHER PAYABLES

Trade payables from external party	262,455	327,649
Payables from related parties (Note 19)	314,555	148,791
Other payables	(72,371)	(88,818)
	504,639	**387,622**

15 COMPENSATION OF KEY MANAGEMENT PERSONNEL

	31 March 2025	31 March 2024
Total Compensation paid to key management personnel	167,304	167,304

16 CONTINGENT LIABILITIES

There are no contingent liabilities at year end (2024: Nil).

17 EVENTS SUBSEQUENT TO REPORTING DATE

The Directors are not aware of any matter or circumstance since the end of the financial year, not otherwise dealt with in this report or financial statements that has significantly affected, or may significantly affect, the operation of the Company, the results of those operations or the state of affairs of the Company.

18 DISCLOSURE OF AUDITOR'S REMUNERATION

The financial statements have been audited by Ernst & Young, Australia in respect of the year ended 31 March 2025 (audited by Deloitte Touche Tohmatsu for the year ended 31 March 2024)

	2025 $	2024 $
Auditor's Remuneration	28,060	30,000

The amounts payable to the auditor are paid by TVS Supply Chain Solutions Australia Holdings Pty Ltd on behalf of the company and recharged to the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

19 RELATED PARTY TRANSACTIONS

Parent entity

T.I.F Holdings Pty Limited is the parent entity of the and the ultimate controlling entity is TV Sundaram Iyengar & Sons Private Ltd.

	2025	2024
	$	$
Service fees paid to Parent	109,383	160,971

Transactions and balances with related parties

The following related party transactions and balances occurred during the financial year:

Sales to related parties	2025	2024
	$	$
- TRANSTAR INTERNATIONAL FREIGHT (SHANGHAI) LTD SHENZHEN BRANCH	-	18,023
- TVS SCS (AUST) PTY. LTD.	976,515	2,037,465
- TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	-	1,088
- TVS SCS LOGISTICS (THAILAND) LIMITED	-	4,668
- TVS SCS SINGAPORE PTE. LTD.	47,049	8,062
- TVS SCS VIETNAM COMPANY LIMITED	-	816,541
- PT. TVS SCS INDONESIA	3,292	-
- RICO LOGISTICS PTY LTD	31,562	-
- TVS SCS RICO ITALIA SRL	315	-
- TVS SCS MALAYSIA SDN BHD	195	-
- TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	10,036	-
- TVS SCS LOGISTICS LTD GUANGZHOU BRANCH	483	-
- TVS SCS DEUTSCHLAND GMBH	10,510	-
	1,079,957	**2,885,847**

NOTES TO THE FINANCIAL STATEMENTS

		2025	2024
		$	$
19. Related party disclosures (continued)			
Purchases from related parties			
-	HANOI BRANCH OF TVS SCS VIETNAM COMPANY LIMITED	-	65
-	PT. TVS SCS INDONESIA	-	705
-	TRANSTAR INTERNATIONAL FREIGHT (SHANGHAI) LIMITED	-	(5,627)
-	TRANSTAR INTERNATIONAL FREIGHT (SHANGHAI) LTD NINGBO BRANCH	-	2,709
-	TRANSTAR INTERNATIONAL FREIGHT (SHANGHAI) LTD SHENZHEN BRANCH	-	1,435
-	TRANSTAR INTERNATIONAL FREIGHT (SHANGHAI) LTD WUHAN BRANCH	-	159
-	TRANSTAR INTERNATIONAL FREIGHT (SHANGHAI) LTD. QINGDAO BRANCH	-	165
-	TRANSTAR INTERNATIONAL FREIGHT (SHANGHAI) LTD. TIANJIN BRANCH	-	1,533
-	TRANSTAR INTERNATIONAL FREIGHT (SHANGHAI) LTD.GUANGZHOU BRANCH	-	256
-	TRANSTAR INTERNATIONAL FREIGHT (SHANGHAI) LTD.XIAMEN BRANCH	-	6,377
-	TVS SCS (AUST) PTY. LTD.	308,059	1,034,732
-	TVS SCS (KOREA) LTD.	42,590	30,210
-	TVS SCS DEUTSCHLAND GMBH	33,549	19,157
-	TVS SCS HONG KONG LIMITED	-	243
-	TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED	-	24,728
-	TVS SCS LOGISTICS (THAILAND) LIMITED	24,995	8,007
-	TVS SCS LOGISTICS LTD	30,506	3,576
-	TVS SCS LOGISTICS LTD GUANGZHOU BRANCH	-	5,358
-	TVS SCS LOGISTICS LTD SHENZHEN BRANCH	-	902
-	TVS SCS LOGISTICS LTD NINGBO BRANCH	-	628
-	TVS SCS LOGISTICS LTD QINGDAO BRANCH	3,120	377
-	TVS SCS MALAYSIA SDN BHD	6,657	21,216
-	TVS SCS SINGAPORE PTE. LTD.	578,072	16,082
-	TVS SCS TAIWAN LIMITED	289	89
-	TVS SCS VIETNAM COMPANY LIMITED	112,960	11,290
-	TVS SCS RICO ITALIA SRL	989	-
-	TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	6,919	-
-	TVS SCS LOGISTICS LTD BEIJING BRANCH	7,851	-
-	TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	1,120	-
-	TVS SCS LOGISTICS LTD GUANGZHOU BRANCH	10,875	-
		1,168,551	**1,184,372**

19. Related party disclosures (continued)

Amount owed by related parties

		2025	2024
		$	$
-	TVS SCS (AUST) PTY. LTD.	2,189,863	2,117,286
-	TVS SCS LOGISTICS (THAILAND) LIMITED	(5,409)	-
-	TVS SCS SINGAPORE PTE. LTD.	7,107	-
-	RICO LOGISTICS PTY LTD	91,203	8,713
-	TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	-	10,375
-	TVS SCS LOGISTICS LTD	-	1,279
-	TVS SCS LOGISTICS LTD NINGBO BRANCH	-	2,608
-	TVS SCS DEUTSCHLAND GMBH	2,565	-
-	TVS SCS LOGISTICS LTD GUANGZHOU BRANCH	483	-
-	TVS SCS RICO ITALIA SRL	219	-
-	TVS SCS TAIWAN LIMITED	(607)	-
-	PT. TVS SCS INDONESIA	(1,511)	-
		2,283,913	**2,140,261**

	2025	2024
	$	$
19. Related party disclosures (continued)		
Amount owed to related parties		
- TVS SCS (AUST) PTY. LTD.	27,114	133,799
- TVS SCS (KOREA) LTD.	31,363	13,379
- TVS SCS DEUTSCHLAND GMBH	5,307	-
- TVS SCS LOGISTICS (THAILAND) LIMITED	-	26,853
- TVS SCS LOGISTICS LTD	61,369	5,401
- TVS SCS LOGISTICS LTD QINGDAO BRANCH	3,152	-
- TVS SCS MALAYSIA SDN BHD	985	978
- TVS SCS SINGAPORE PTE. LTD.	53,553	6,648
- TVS SUPPLY CHAIN SOLUTIONS PTE LTD	49,456	(164,174)
- TVS SCS LOGISTICS LTD BEIJING BRANCH	7,285	2,224
- TVS SCS LOGISTICS LTD GUANGZHOU BRANCH	8,052	10,941
- TVS SCS VIETNAM COMPANY LIMITED	58,548	108,334
- TVS SCS RICO ITALIA SRL	1,004	-
- TVS SCS INTERNATIONAL FREIGHT (SPAIN), S.L.U.	376	-
- TVS SCS HONG KONG LTD.	6,991	-
- TVS SCS GLOBAL FREIGHT SOLUTIONS LIMITED	-	4,408
	314,555	**148,791**

20 LEASE LIABILITIES

	2025	2024
	$	$
Current	679,723	447,379
Non-current	1,246,354	-
	1,926,077	**447,379**

Future minimum lease payments

The future minimum lease payments arising under the Group's lease contracts at the end of the reporting period are as follows:

	2025	2024
	$	$
Not later than one year	804,786	386,872
Later than one year and not later than five years	1,323,534	-
Later than five years	-	-
	2,128,320	**368,872**

Short-term leases and leases of low value assets

The recognition exemptions for short-term leases that have a lease term of 12 months or less and leases of low-value assets has been applied. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term in the statement of profit or loss and other comprehensive income as below:

	2025	2024
	$	$
Lease and hire expenses	5,448	1,249

TVS SCS International Freight Hong Kong Limited

FY 2024-25

Independent Auditors' Report to the Sole Shareholder of

TVS SCS INTERNATIONAL FREIGHT HONG KONG LIMITED
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of TVS SCS International Freight Hong Kong Limited set out on pages 6 to 13, which comprise the statement of financial position as at 31 March 2025, and the income statement, the statement of changes in equity for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements of the company are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-Sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance Cap 622.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") and with reference to PN 900 (Revised) Audit of Financial Statements Prepared in Accordance with the Small and Medium-Sized Entity Financial Reporting Standard issued by the HKICPA. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The directors are responsible for the other information. The other information comprises all the information included in the directors' report, other than the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditors' Report to the Sole Shareholder of

TVS SCS INTERNATIONAL FREIGHT HONG KONG LIMITED
(Incorporated in Hong Kong with limited liability)

Responsibilities of directors for the financial statements

The directors are responsible for the preparation of financial statements in accordance the SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance Cap 622, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. This report is made solely to you in accordance with section 405 of the Hong Kong Companies Ordinance Cap 622, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Auditors' responsibilities for the audit of the financial statements (Cont'd)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control, if any, that we identify during our audit.

Wong Brothers CPA Limited
Certified Public Accountants (Practising)

Albert Wing Wa, Chui
Practising Certificate Number: P06952

Hong Kong, 11 JUL 2025

TVS SCS INTERNATIONAL FREIGHT HONG KONG LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 HK$	2024 HK$
Revenue	3	2,170,711	- -
Other income	3	13,424	1,598
Administrative and general expenses		(58,349)	(228,923)
Loss on dissolution of a subsidiary		- -	(6,859,608)
Profit/(loss) before tax	4	2,125,786	(7,086,933)
Income tax	6	(135,759)	- -
Profit/(loss) for the year		1,990,027	(7,086,933)

TVS SCS INTERNATIONAL FREIGHT HONG KONG LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Notes	2025 HK$	2024 HK$
ASSETS			
Non-current assets			
Investment in subsidiaries	7	316,838	316,838
Total non-current assets		316,838	316,838
Current assets			
Other receivables		--	4,053,894
Amount due from intermediate holding company	8	2,000,000	--
Cash and bank balances		337,471	394,085
Total current assets		2,337,471	4,447,979
Total assets		2,654,309	4,764,817
EQUITY AND LIABILITIES			
Equity attributable to equity holders			
Share capital	9	8,000,000	8,000,000
Accumulated losses		(5,383,361)	(7,373,388)
Exchange reserve		(18,822)	(18,822)
Total equity		2,597,817	607,790
Current liabilities			
Other payables	10	56,492	4,157,027
Total equity and liabilities		2,654,309	4,764,817

Approved by the board of directors
on 11 JUL 2025

James Christopher Payne
Director

Vittorio Marino Favati
Director

TVS SCS INTERNATIONAL FREIGHT HONG KONG LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Share capital HK$	Accumulated losses HK$	Exchange reserve HK$	Total HK$
At 1 April 2024	8,000,000	(7,373,388)	(18,822)	607,790
Profit for the year	- -	1,990,027	- -	1,990,027
At 31 March 2025	8,000,000	(5,383,361)	(18,822)	2,597,817

TVS SCS INTERNATIONAL FREIGHT HONG KONG LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1. GENERAL INFORMATION

The company is a limited liability company incorporated and domiciled in Hong Kong. The address of its registered office is Units 05, 8/F., Tower 3, Phase 1, Enterprise Square, 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong.

The principal activity of the company is investment holding.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies were consistently applied during the year, unless otherwise stated.

2.1 Basis of preparation

As the company is a holding company that is a wholly owned subsidiary of another body corporate, it satisfies the exemption criteria set out in section 379(3)(a) of the Hong Kong Companies Ordinance Cap 622 ("HKCO"), and is not required to prepare consolidated financial statements.

These financial statements comply with the SME-FRS, the requirements of the Hong Kong Companies Ordinance that are relevant to the preparation of the company-level financial statements and have been prepared under the accrual basis of accounting and the historical cost convention, and on the basis that the company is a going concern.

These financial statements are presented in Hong Kong dollars, which is the company's functional and presentation currency, and the measurement basis if the historical cost basis except where otherwise stated in the accounting policies below.

2.2 Subsidiaries

Subsidiaries are entities (including structured entities) over which the company has control. The company controls an entity when the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Investments in subsidiaries are stated at cost less impairment losses. Results of subsidiaries are accounted for by the company on the basis of dividend received and receivable.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.3 Impairment of assets

An assessment is made at the end of each reporting year to determine whether there is any indication of impairment or reversal of previous impairment, including items of investment in subsidiaries and loans receivables. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the income statement. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

2.4 Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are expensed in profit or loss on a straight-line basis over the period of the lease.

2.5 Taxation

Taxation represents current income tax expense. The income tax payable represents the amount expected to be paid to the taxation authority, applying the tax rate and tax laws that have been enacted or substantively enacted by the end of the reporting period.

2.6 Revenue

Revenue is recognised when it is probable that the economic benefits will flow to the company and when the revenue can be measured reliably, on the following bases:-

(i) Dividend income from investments is recognised when the company's right to receive payment is established.

(ii) Interest income is accrued on a time basis by reference to the principal outstanding and at the interest rate applicable.

2.7 Cash and cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

2.8 Related party

A party is related to the company if:

(a) A person or a close member of that person's family is related to the company if that person:

(i) Has control or joint control over the company;
(ii) Has significant influence over the company; or
(iii) Is a member of the key management personnel of the company or of the holding company of the company;

(b) An entity is related to the company if any of the following conditions applies:

(i) The entity and the company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
(ii) One entity is an associate or joint venture of the other entity (or of an associate or joint venture of a member of a group of which the other entity is a member).
(iii) Both entities are joint venture of the same third party.
(iv) One entity is a joint venture of a third party and other entity is an associate of the third party.
(v) The entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company.
(vi) The entity is controlled or jointly controlled by a person identified in (a).
(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of the holding company of the entity).

3. REVENUE AND OTHER INCOME

	2025 HK$	2024 HK$
Revenue		
Dividend income	2,170,711	- -
Other income		
Bank interest income	3,971	1,098
Gain on exchange	5,582	- -
Sundry income	3,871	500
	13,424	1,598
	2,184,135	1,598

4. PROFIT/(LOSS) BEFORE TAX

Profit/(loss) before taxation is arrived at after charging loss on exchange of HK$Nil (2024: HK$88,517).

5. DIRECTORS' REMUNERATION

The directors did not receive any remuneration for their services rendered during the year (2024: Nil). All director are the key management of the company.

6. INCOME TAX

	2025 HK$	2024 HK$
Current income tax		
Withholding tax on dividend income	135,759	- -

Hong Kong Profits Tax is not recognised as the company has no assessable income for the year (2024: Nil).

7. INVESTMENT IN SUBSIDIARIES

	2025 HK$	2024 HK$
Unlisted investments, at cost	316,838	316,838

Details of the subsidiaries at the reporting date are as follows:-

Name of subsidiary	Principal place of business and country of incorporation	Proportion of ownership interest held	Principal activities
TVS Supply Chain Solutions Holdings Limited ("TVS Holdings")	Thailand	49% (Note)	Investing and management consulting
Transtar International Freight SDN. BHD.	Malaysia	100%	Freight forwarding
TVS SCS International Freight (Thailand) Limited ("TVS SCS Thailand")	Thailand	49% (Note)	Logistics

Note: Despite that the company owns 49% equity interest in TVS Holdings and TVS SCS Thailand respectively, the company controls the board of directors of these two companies and hence, they are classified as the subsidiaries of the company.

8. AMOUNT DUE FROM INTERMEDIATE HOLDING COMPANY

The amount is unsecured, interest free and repayable on demand.

9. SHARE CAPITAL

	2025 HK$	2024 HK$
Issued and fully paid		
8,000,000 ordinary shares	8,000,000	8,000,000

10. OTHER PAYABLES

	2025 HK$	2024 HK$
Amount due to fellow subsidiaries	24,992	4,132,527
Accrued expenses	31,500	24,500
	56,492	4,157,027

Amount due to fellow subsidiaries is unsecured, interest free and repayable on demand.

11. IMMEDIATE AND ULTIMATE HOLDING COMPANIES

The immediate holding company is Kanh Nominees Pty Limited, a company incorporated in Australia. The directors consider the ultimate holding company to be TVS Supply Chain Solutions Limited, a company incorporated in India.

TVS Supply Chain Solutions Holdings Limited (Thailand)

FY 2024-25

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of
TVS Supply Chain Solutions Holdings Limited

Opinion

I have audited the financial statements of TVS Supply Chain Solutions Holdings Limited, which comprise the statement of financial position as at March 31, 2025, and the statement of income and statement of changes in shareholders' equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of TVS Supply Chain Solutions Holdings Limited as at March 31, 2025, its financial performance for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further describe in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Methavee Chanasongkram.

(Miss Methavee Chanasongkram)
Certified Public Accountant
Registration No. 12784

Dharmniti Auditing Company Limited
Bangkok, Thailand
May 30, 2025

TVS SUPPLY CHAIN SOLUTIONS HOLDINGS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

ASSETS

	Note	Baht	
		2025	2024
Current assets			
Cash and cash equivalents	4	1,455,433.16	-
Total current assets		1,455,433.16	-
Non-current assets			
Investments in a subsidiary	5	1,020,000.00	1,020,000.00
Other current assets		133,812.84	-
Total non-current assets		1,153,812.84	1,020,000.00
TOTAL ASSETS		2,609,246.00	1,020,000.00

Notes to the financial statements form an integral part of the financial statements.

TVS SUPPLY CHAIN SOLUTIONS HOLDINGS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

LIABILITIES AND SHAREHOLDERS' EQUITY

	Note	Baht 2025	Baht 2024
Current liabilities			
Other current payables		45,000.00	480,608.06
Total current liabilities		45,000.00	480,608.06
TOTAL LIABILITIES		45,000.00	480,608.06
Shareholders' equity			
Share capital	6		
Authorized, share capital			
2,450 preference shares of Baht 100 each		245,000.00	245,000.00
2,550 ordinary shares of Baht 100 each		255,000.00	255,000.00
		500,000.00	500,000.00
Issued and paid-up share capital			
2,450 preference shares of Baht 100 each		245,000.00	245,000.00
2,550 ordinary shares of Baht 100 each		255,000.00	255,000.00
		500,000.00	500,000.00
Retained earnings		2,064,246.00	39,391.94
TOTAL SHAREHOLDERS' EQUITY		2,564,246.00	539,391.94
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,609,246.00	1,020,000.00

Notes to the financial statements form an integral part of the financial statements.

TVS SUPPLY CHAIN SOLUTIONS HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED MARCH 31, 2025

	Note	Baht	
		2025	2024
Revenues			
Dividend income	5	2,137,500.00	-
Other income		-	62,354.18
Total revenues		2,137,500.00	62,354.18
Expenses			
Administrative expenses		32,708.78	43,250.00
Total expenses		32,708.78	43,250.00
Profit before finance costs and income tax		2,104,791.22	19,104.18
Finance costs		-	-
Profit before income tax		2,104,791.22	19,104.18
Income tax		79,937.16	-
Net profit		2,024,854.06	19,104.18

Notes to the financial statements form an integral part of the financial statements.

TVS SUPPLY CHAIN SOLUTIONS HOLDINGS LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

		Baht			
		Paid - up Share Capital		Retained	Total
	Note	Preference Shares	Ordinary Shares	earnings	
Balance as at March 31, 2023		245,000.00	255,000.00	20,287.76	520,287.76
Profit for the year		-	-	19,104.18	19,104.18
Balance as at March 31, 2024		245,000.00	255,000.00	39,391.94	539,391.94
Profit for the year		-	-	2,024,854.06	2,024,854.06
Balance as at March 31, 2025		245,000.00	255,000.00	2,064,246.00	2,564,246.00

Notes to the financial statements form an integral part of the financial statements.

TVS SUPPLY CHAIN SOLUTIONS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2025

1. GENERAL INFORMATION

(a) Legal status and address

TVS Supply Chain Solutions Holdings Limited (the Company) was registered to be a limited Company with the Ministry of Commerce on December 2, 2011.

The address of its registered office is as follows:

Head office : 65, 42 Tower, 10 Floor, Room No. 1005 Soi Sukhumvit 42 (Kluaynamthai), Sukhumvit Road, Prakanong, Klongtoey, Bangkok.

(b) Nature of the Company's business

Main business activities of the Company is management consulting service.

(c) Major shareholder companies

Its major shareholders are TVS SCS International Freight (Thailand) Limited (holding 51%).

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E. 2547 by complying with Thai Financial Reporting Standards for Non-Publicly Accountable Entities (Revised 2022). The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for limited company, issued under the Accounting Act B.E. 2543.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenues and expenses recognition

The Company records dividends as revenue from the eligible date to receive dividend.

The Company recognizes other income and expenses on the accrual basis.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at financial institutions with an original maturity of three months or less and not subject to withdrawal restrictions.

3.3 Investment in subsidiary

Subsidiary in this company in which the Company has the power to control the financial and operating policies generally accompanying a share holding of more than one-half of the voting rights.

Investment in subsidiary is stated at cost net from allowance on decline in value (if any). Loss on decline in value of investment will be recognized as loss in the statement of income in the financial statement.

3.4 Provisions

A provision is recognized in the financial statement when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.5 Income tax

The Company records income tax, if any, based on the amount currently payable under the Revenue Code at the income tax rates of net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax calculation as follow:

	tax rates	
	2025	2024
profit before income tax		
Not exceeding Baht 300,000	Exempt	Exempt
Over Baht 300,000 but not exceeding Baht 3,000,000	15%	15%
Over Baht 3,000,000	20%	20%

3.6 Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4. CASH AND CASH EQUIVALENTS

Consist of :-

	Baht	
	2025	2024
Deposit at bank - current accounts	1,455,433.16	-
Total	1,455,433.16	-

5. INVESTMENT IN A SUBSUDIARY

Investments in a subsidiary consisted of:

		Paid up share capital (Million Baht)		Percentage of shareholding (%)		Cost method (Baht)		Dividend (Baht)	
Name of company	Nature of business	2025	2024	2025	2024	2025	2024	2025	2024
TVS SCS International Freight (Thailand) Limited	Logistic	2.00	2.00	51	51	1,020,000.00	1,020,000.00	2,137,500.00	-
						1,020,000.00	1,020,000.00	2,137,500.00	-

6. PREFERENCE SHARES

Preferred shares has right which is different from share capital. The different of right is dividend and vote which is regarding to company regulation.

7. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors of the Company on May 30, 2025.

TVS SCS International Freight (Thailand) Limited

FY 2024-25

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of
TVS SCS International Freight (Thailand) Limited

Opinion

I have audited the financial statements of TVS SCS International Freight (Thailand) Limited, which comprise the statement of financial position as at March 31, 2025, and the statement of income and statement of changes in shareholders' equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of TVS SCS International Freight (Thailand) Limited as at March 31, 2025, its financial performance for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further describe in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Methavee Chanasongkram.

(Miss Methavee Chanasongkram)
Certified Public Accountant
Registration No. 12784

Dharmniti Auditing Company Limited
Bangkok, Thailand
May 30, 2025

TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

ASSETS

	Note	Baht	
		2025	2024
Current assets			
Cash and cash equivalents	4	1,727,536.09	10,694,708.23
Trade and other current receivables	5	2,352.00	437,358.06
Total current assets		1,729,888.09	11,132,066.29
Non-current assets			
Investments in subsidiary	7	255,000.00	255,000.00
Other non-current assets		2,000.00	-
Total non-current assets		257,000.00	255,000.00
TOTAL ASSETS		1,986,888.09	11,387,066.29

The accompanying notes are an integral part of the financial statements.

TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED

STATEMENT OF FINANCIAL POSITION (Cont.)

AS AT MARCH 31, 2025

LIABILITIES AND SHAREHOLDERS' EQUITY

	Note	Baht	
		2025	2024
Current liabilities			
Other current payable	9	110,588.93	105,045.00
Income tax payables		-	542,694.09
Total current liabilities		110,588.93	647,739.09
TOTAL LIABILITIES		110,588.93	647,739.09
Shareholders' equity			
Share capital	11		
Authorized, share capital			
9,800 preference shares of Baht 100 each		980,000.00	980,000.00
10,200 ordinary shares of Baht 100 each		1,020,000.00	1,020,000.00
		2,000,000.00	2,000,000.00
Issued and paid-up share capital			
9,800 preference shares of Baht 100 each		980,000.00	980,000.00
10,200 ordinary shares of Baht 100 each		1,020,000.00	1,020,000.00
		2,000,000.00	2,000,000.00
Retained earnings			
Appropriated - Legal reserve	12	200,000.00	-
Unappropriated		(323,700.84)	8,739,327.20
TOTAL SHAREHOLDERS' EQUITY		1,876,299.16	10,739,327.20
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,986,888.09	11,387,066.29

The accompanying notes are an integral part of the financial statements.

TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED

STATEMENT OF INCOME

FOR THE YEAR ENDED MARCH 31, 2025

	Note	Baht	
		2025	2024
Revenues			
Services income		-	979,395.75
Other income		138.86	4,480,478.84
Total revenues		138.86	5,459,874.59
Expenses			
Cost of services		-	887,651.18
Administrative expenses		313,166.90	2,560,763.06
Total expenses		313,166.90	3,448,414.24
Profit (loss) before finance cost and income tax		(313,028.04)	2,011,460.35
Finance cost		-	-
Profit (loss) before income tax		(313,028.04)	2,011,460.35
Income tax		-	589,539.02
Net profit (loss) for the year		(313,028.04)	1,421,921.33

The accompanying notes are an integral part of the financial statements.

TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

		Baht				
		Paid - up Share Capital		Appropriated		Total
	Note	Preference Shares	Ordinary Shares	Legal reserve	Unappropriated	
Balance as at March 31, 2023		980,000.00	1,020,000.00	-	7,317,405.87	9,317,405.87
Net profit for the year		-	-	-	1,421,921.33	1,421,921.33
Balance as at March 31, 2024		980,000.00	1,020,000.00	-	8,739,327.20	10,739,327.20
Dividend	12	-	-	-	(8,550,000.00)	(8,550,000.00)
Legal reserve	12	-	-	200,000.00	(200,000.00)	-
Net profit for the year		-	-	-	(313,028.04)	(313,028.04)
Balance as at March 31, 2025		980,000.00	1,020,000.00	200,000.00	(323,700.84)	1,876,299.16

The accompanying notes are an integral part of the financial statements.

TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2025

1. GENERAL INFORMATION

(a) Legal status and address

TVS SCS INTERNATIONAL FREIGHT (THAILAND) LIMITED The Company was registered to be a limited Company with the Ministry of Commerce on December 14, 2011.

The address of its registered office is as follows:

Head office : 65, 42 Tower, 10 Floor, Room No. 1005 Soi Sukhumvit 42 (Kluaynamthai), Sukhumvit Road, Prakanong, Klongtoey, Bangkok.

(b) Nature of the Company's business

Main business activities of the Company is logistics services.

(c) Major shareholder companies

Its major shareholders is TVS Supply Chain Solutions (Holding) Limited (holding 51%).

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E. 2547 by complying with Thai Financial Reporting Standards for Non-Publicly Accountable Entities (Revised 2022) The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for limited company, issued under the Accounting Act B.E. 2543.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenues and expenses recognition

The Company recognizes agency commission and other service income excluding value added tax, when the services have already been rendered.

The Company recognizes other income and expenses on the accrual basis.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at bank, and all highly liquid investment with an original maturity of three months or less and not subject to withdrawal restrictions.

3.3 Trade and other current receivables

Trade and other current receivable (including balance with related parties) are initially recognized by the invoice amount and subsequently measured at the remaining amount less an allowance for doubtful accounts (if any) based on a review of all outstanding amounts at year end. The allowance for doubtful accounts is the difference between the carrying amount of trade accounts receivable and the amount expected to be collectible. Bad debts are immediately recognized in the income statement as part of administrative expenses.

The company provides allowance for doubtful accounts equal to the estimated collection losses that may be incurred in the collection of all receivables. The estimated losses are based on a review of the current status of each receivable by considering the ability to repay debt and the amount expected to be paid from the debtor.

3.4 Investment in subsidiary

Subsidiary is this company in which the Company has the power to control the financial and operating policies generally accompanying a share holding of more than one-half of the voting rights.

Investment in subsidiary is stated at cost net from allowance on decline in value (if any). Loss on decline in value of investment will be recognized as loss in the statement of income in the financial statement.

3.5 Trade and others current payable

Trade and other current payable (including balances with related parties) are stated at cost.

3.6 Provisions

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

3.7 Foreign currency transactions

Transactions in foreign currencies are recorded at the rates prevailing at the transactions date. Assets and liabilities denominated in foreign currencies, at the end of the year are translated into Baht at the rates exchange of at the statement of financial reporting date. Gains or losses from translation are charged to current year operations.

3.8 Income tax

The Company records income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates 20% of net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

3.9 Using of accounting estimation

Preparation of financial statements in accordance with the financial reporting standards requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

3.10 Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4. CASH AND CASH EQUIVALENTS

Consist of :-

	Baht	
	2025	2024
Cash	818.19	148.19
Deposits at bank - current accounts	1,461,231.14	10,408,748.13
Deposits at bank - saving accounts	265,486.76	285,811.91
Total	1,727,536.09	10,694,708.23

Savings accounts bear interest at floating interest rates which are set by banks.

5. TRADE AND OTHER CURRENT RECEIVABLES

Consist of :

	Baht	
	2025	2024
Trade account receivables	-	437,358.06
Other current receivables		
Account receivables - Revenue department	2,352.00	-
Total other current receivables	2,352.00	-
Total trade and other current receivables	2,352.00	437,358.06

The Company is in the process of filing a lawsuit against the employees in the court, which until now is in the process of filing a lawsuit to the court. The result is not yet known. The Company recorded the transaction as other receivable amounting to Baht 4.52 million. Therefore, the management of the company consider recorded allowance for doubtful accounts for the full amount. In 2024, the management recorded the outcome of damage and not expected to be repaid and other it had considered to cut off such entire amount of transaction.

6. Short - term loan to related company

Movement of Short-term loan to related parties for the years ended March 31, 2024 were as follows :

	Baht			
	Balance as at	Transaction during the year		Balance as at
	Mar. 31, 23	Addition	Deduction	Mar. 31, 24
TVS SCS Logistics (Thailand) Limited	-	9,000,000.00	(9,000,000.00)	-
	-	9,000,000.00	(9,000,000.00)	-

Short-term loans to related parties has entered into loan agreement. Such loan has interest rate at 6.45% per annum and there is no collateral.

7. INVESTMENT IN SUBSUDIARY

Consist of:

		Paid up share capital (Million Baht)		Percentage of shareholding (%)		Cost method (Baht)	
Name of company	Nature of business	2025	2024	2025	2024	2025	2024
TVS Supply Chain Solution (Holding) Limited	Management consulting service	500,000.00	500,000.00	51.00	51.00	255,000.00	255,000.00
						255,000.00	255,000.00

8. EQUIPMENT

Consist of:-

	Baht			
	Balance as at	Transactions during the year		Balance as at
	Mar 31, 23	Increase	Decrease	Mar 31, 24
At Cost				
Computer	148,400.00	-	(148,400.00)	-
Office equipment	135,800.00	-	(135,800.00)	-
Total	284,200.00	-	(284,200.00)	-
Less Accumulated depreciation				
Computer	(148,396.00)	-	148,396.00	-
Office equipment	(135,798.00)	-	135,798.00	-
Total	(284,194.00)	-	284,194.00	-
Equipment - net	6.00			-

	Baht	
	2025	2024
Gain from disposal asset	-	3,732.32

9. OTHER CURRENT PAYABLES

Other current payables consist of :

	Baht	
	2025	2024
Other current payables		
Accrued expenses	110,588.93	105,000.00
Account payables - Revenue Department	-	45.00
Total other current payables	110,588.93	105,045.00

10. Long - term loan from related company

Movement of long-term loan from related parties for the years ended March 31, 2024 and 2023 were as follows :

	Baht			
	Balance as at	Transaction during the year		Balance as at
	Mar. 31, 23	Addition	Deduction	Mar. 31, 24
Transtar International Freight Hong Kong	6,164,389.42	-	(6,164,389.42)	-
	6,164,389.42	-	(6,164,389.42)	-

Long-term loans from related parties has no collaterals and no interest is charged.

11. PREFERENCE SHARES

Preferred shares has right which is different from share capital. The different of right is dividend and vote which is regarding to company regulation.

12. DIVIDEND AND LEGAL RESERVE

According to the Board of Directors' Meeting of the Company No.1/2024 held on April 9, 2024, it had a resolution to approve the interim dividend payment to the shareholders of the preference shares at 3% of the paid-up value of such preference shares amounted Baht 6.41 million and paid to the shareholders of the ordinary shares amounted Baht 2.14 million. The total amount was Baht 8.55 million. The Company also appropriated a statutory reserve of 10% of the registered capital, amounting to Baht 0.20 million. The dividend payment to shareholders was made on June 21, 2024.

13. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors of the Company on May 30, 2025.

TVS SCS Phillippines Corporation

FY 2024-25

TVS SCS PHILIPPINES CORPORATION
STATEMENTS OF FINANCIAL POSITION
For the Period Ended March 31, 2025
(In Philippine Peso)

	Notes	2025	2024
ASSETS			
Current Assets			
Cash	9	**1,928,439**	9,470,990
Trade receivables	10	**10,577,340**	97,330
Other current assets	11	**6,287,622**	623,479
		18,793,401	10,191,799
Non-Current Assets			
Property and equipment - net	12	**2,281,735**	766,048
Right of use asset		**14,441,096**	
Deferred tax asset	23	**4,321,477**	-
		21,044,308	766,048
TOTAL ASSETS		**39,837,709**	10,957,847
LIABILITIES AND NET STOCKHOLDER'S EQUITY			
LIABILITIES			
Current Liabilities			
Trade payables	13	**32,995,334**	7,957,525
Advances from a related party	16	**14,939,476**	252,986
Lease liability - current		**5,114,664**	-
Other liabilities	14	**3,416,330**	2,654,397
		56,465,804	10,864,908
Non-Current Liabilities			
Lease liability - net of current portion		**9,676,494**	-
TOTAL LIABILITIES		**66,142,298**	10,864,908
STOCKHOLDERS' EQUITY			
Capital Stock	15	**11,400,000**	11,400,000
Deficit		**(37,704,589)**	(11,307,061)
NET STOCKHOLDERS' EQUITY		**(26,304,589)**	92,939
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		**39,837,709**	10,957,847

(See Accompanying Notes to Financial Statements)

TVS SCS PHILIPPINES CORPORATION
STATEMENTS OF COMPREHENSIVE INCOME
For the Period Ended March 31, 2025
(In Philippine Peso)

	Notes	2025	2024
SERVICE REVENUE		**44,471,563**	57,537
COST OF SERVICES		**35,185,302**	57,537
GROSS PROFIT		**9,286,261**	-
OTHER INCOME	18	**187,031**	(70,420)
		9,473,292	(70,420)
OPERATING EXPENSES	20	**40,192,297**	11,236,641
LOSS BEFORE INCOME TAX		**(30,719,005)**	(11,307,061)
BENEFIT FROM INCOME TAX	22	**(4,321,477)**	-
TOTAL COMPREHENSIVE LOSS		**(26,397,528)**	(11,307,061)

(See Accompanying Notes to Financial Statements)

TVS SCS PHILIPPINES CORPORATION
STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
For the Period Ended March 31, 2025
(In Philippine Peso)

	Notes	Capital Stock	Deficit	Total
Initial issuance of capital stock	14	11,400,000	-	11,400,000
Total comprehensive loss		-	(11,307,061)	(11,307,061)
Balance at March 31, 2024		**11,400,000**	**(11,307,061)**	**92,939**
Balance at April 1, 2024	14	11,400,000	(11,307,061)	92,939
Prior period adjustments		-	-	-
Balance as restated		11,400,000	(11,307,061)	92,939
Total comprehensive loss		**-**	**(26,397,528)**	**(26,397,528)**
Balance at March 31, 2025		**11,400,000**	**(37,704,589)**	**(26,304,589)**

(See Accompanying Notes to Financial Statements)

TVS SCS PHILIPPINES CORPORATION

STATEMENTS OF CASH FLOWS

For the Period Ended March 31, 2025

(In Philippine Peso)

	Notes	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before income tax		**(30,719,005)**	(11,307,061)
Adjustment for:			
Depreciation	19	**554,775**	119,820
Interest Income	17	**(2,472)**	(1,426)
Prior period adjustment		**-**	-
Operating income before working capital changes		**(30,166,702)**	(11,188,667)
Increase in operating assets:			
Trade receivables	9	**(10,480,010)**	(97,330)
Other current assets	10	**(5,664,143)**	(623,479)
Right-of-use asset		**(14,441,096)**	-
Increase in operating liabilities:			
Trade payables	12	**25,037,809**	7,957,525
Advances from a related party	15	**14,686,490**	252,986
Lease liability		**14,791,158**	-
Other liabilities	13	**761,933**	2,654,397
Net cash used in operations		**(5,474,561)**	(1,044,568)
Interest received	17	**2,472**	1,426
Net cash generated from operating activities		**(5,472,089)**	(1,043,142)
CASH FLOW FROM AN INVESTING ACTIVITY			
Acquisitions of property and equipment	11	**(2,070,462)**	(885,868)
Cash used in investing activity		**(2,070,462)**	(885,868)
CASH FLOWS FROM FINANCING ACTIVITY			
Proceeds from initial issuance of capital stock	14	**-**	11,400,000
Cash generated from a financing activity		**-**	11,400,000
NET INCREASE IN CASH		**(7,542,551)**	9,470,990
CASH AT BEGINNING OF YEAR		**9,470,990**	-
CASH AT END OF YEAR		**1,928,439**	9,470,990

(See Accompanying Notes to Financial Statements)

1. CORPORATE INFORMATION

TVS SCS PHILIPPINES CORPORATION (the "Company"), was incorporated and registered in the Philippines with Securities and Exchange Commission (SEC) with SEC registration no. 2023060104988-01. The principal activities of the Company are to engage in and carry on the business of international ocean and air freight forwarding, provide warehousing services, to arrange the needed mode of transportation for the efficient transfer of goods, products, merchandise, items, etc. through outsourcing all relevant services to subcontractors, suppliers and service providers such as Inland Transportation Service Providers, Customs Clearance/Brokerage to customers.

The Company is 99.996% of interest owned by TVS Supply Chain Solutions Pte. Ltd., a Singaporean Corporation.

The registered office address of the Company is located at Level 16, Tower 6789, Ayala Avenue, Makati City and is domiciled in the Philippines.

2. FINANCIAL REPORTING FRAMEWORK, BASIS FOR THE PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

Statement of Compliance

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards which includes all applicable PFRS, Philippine Accounting Standards (PAS), and Interpretations issued by the Philippine Interpretations Committee (PIC), Standards Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Philippine Financial and Sustainability Reporting Standards Council (PFSRSC) and adopted by the Securities and Exchange Commission (SEC).

The Company qualifies as a small entity (SE) based on the criteria set by the SEC. However, as provided under the Securities Regulation Code (SRC) Rule 68, dated August 19, 2019, the Company availed of the exemption from the mandatory adoption of PFRS for SEs on the basis that the Company is a subsidiary of a Company reporting under IFRS (International Financial Reporting Standards).

Basis of Preparation

The financial statements are prepared on the historical cost basis, except where a Financial Reporting Standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements.

Current versus Non-current Classification

The Company's presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset as current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized 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.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Presentation and Functional Currency

Items included in the financial statements of the Company are presented in Philippine Peso, the currency of the primary economic environment in which the Company operates (the "functional currency"). All presented financial information has been rounded to the nearest peso, except when otherwise indicated.

The Company chose to present its financial statements using its functional currency.

Use of Judgments and Estimates

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported in the Company's financial statements and accompanying notes.

Judgments are made by management in the development, selection and disclosure of the Company's significant accounting policies and estimates and the application of these policies and estimates.

The estimates and assumptions are reviewed on an ongoing basis. These are based on management's evaluation of relevant facts and circumstances as of the reporting date. Actual results could differ from such estimates.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Going Concern Assumption

The Company is not aware of any significant uncertainties that may cast doubts upon the Company's ability to continue as a going concern.

Comparative Information

The comparative information presented for the year ended March 31, 2024 covers a period of only nine months.

3. ADOPTION OF NEW AND REVISED REPORTING STANDARDS

Changes in Accounting Policies and Disclosures

The Company adopted all accounting standards and interpretations as at January 1, 2024. Adoption of these standards did not have any significant impact on the Company's financial position or performance unless otherwise indicated.

These new and revised accounting standards and interpretations that have been published by the International Accounting Standards Board (IASB) and approved by the FSRSC in the Philippines, were assessed to be applicable to the Company's financial statements, are presented in the succeeding pages.

New and Revised PFRSs effective for annual periods beginning on or after January 1, 2024

The Company will apply the standard from its mandatory adoption date stated below, unless otherwise the Company opt to early adopt as stated.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, Classification of Liabilities as Current or Non-current

The amendments clarify paragraphs 69 to 76 of PAS 1, Presentation of Financial Statements, to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement.
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after January 1, 2023, and must be applied retrospectively. However, in November 2022, the International Accounting Standards Board (IASB) tentatively decided to defer the effective date to no earlier than January 1, 2024.

The adoption of the above standards did not have a significant impact on the Company's financial statements.

- Amendments to PAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity

discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The amendments are applied retrospectively for annual reporting periods beginning on or after January 1, 2024.

The adoption of the above standards did not have a significant impact on the Company's financial statements.

- Amendments to PAS 7 Statement of Cash Flows and PFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements

The amendments add a disclosure objective to PAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, PFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The term 'supplier finance arrangements' is not defined. Instead, the amendments describe the characteristics of an arrangement for which an entity would be required to provide the information.

To meet the disclosure objective, an entity will be required to disclose in aggregate for its supplier finance arrangements:

- The terms and conditions of the arrangements
- The carrying amount, and associated line items presented in the entity's statements of financial position, of the liabilities that are part of the arrangements
- The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers
- Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement
- Liquidity risk information

The amendments, which contain specific transition reliefs for the first annual reporting period in which an entity applies the amendments, are applicable for annual reporting periods beginning on or after January 1, 2024. Earlier application is permitted.

The adoption of the above standards did not have a significant impact on the Company's financial statements.

- Amendment to PFRS 16 Leases—Lease Liability in a Sale and Leaseback

The amendments to PFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in PFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have

recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in PFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

As part of the amendments, the PASB amended an Illustrative Example in PFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability, that arises from a sale and leaseback transaction that qualifies as a sale applying PFRS 15, is a lease liability.

If a seller-lessee applies the amendments for an earlier period, it is required to disclose that fact. A seller-lessee applies the amendments retrospectively in accordance with PAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied PFRS 16.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted.

The adoption of the above standards did not have a significant impact on the Company's financial statements.

Effective beginning on or after January 1, 2025

- PFRS 17, Insurance Contracts

PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, Insurance Contracts. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

On December 15, 2022, the FSRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the PASB.

On November 19, 2024, the SEC approved to defer the effective date of PFRS 17. This is consistent with Circular Letter No's. 2024-19 and 2024-20, dated October 17, 2024 deferring the implementation of PFRS 17 for Mutual Benefit Associations (MBA's) to reporting periods beginning on or after January 1, 2030 and for Health Maintenance Organizations (HMOs) to reporting periods beginning on or after January 1, 2027.

PFRS 17 is effective for reporting periods beginning on or after January 1, 2025, with comparative figures required, except for MBAs and HMOs. Early application is permitted.

The Company is currently examining the impact on the financial statements.

- Amendments to PFRS 17, Initial Application of PFRS 17 and PFRS 9— Comparative Information

The amendment adds a transition option for a classification overlay to address possible accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application of PFRS 17. The amendments would be available for:

- any financial assets, including those held in respect of an activity that is unconnected to contracts within the scope of PFRS 17; and
- both entities that initially apply PFRS 9 at the same time as they apply PFRS 17, and entities that had already applied PFRS 9 before the initial application of PFRS 17 where those entities redesignate financial assets applying paragraph C29 of PFRS 17.

The transition option would:

- be available, on an instrument-by-instrument basis;
- allow an entity to present comparative information as if the classification and measurement requirements of PFRS 9 had been applied to that financial asset, but not require an entity to apply the impairment requirements of PFRS 9; and
- require an entity that applies the classification overlay to a financial asset to use reasonable and supportable information available at the transition date to determine how the entity expects that financial asset to be classified applying PFRS 9.

The amendment does not amend the transition requirements in PFRS 9. At the date of initial application of PFRS 9, an entity is required to apply the transition requirements in PFRS 9 to a financial asset, regardless of whether it has applied the classification overlay to that asset.

The amendment is effective for reporting periods beginning on or after January 1, 2025. Early application is permitted.

The Company is currently examining the impact on the financial statements.

- Amendments to PFRS 21, Lack of Exchangeability

The amendments clarify when a currency is considered exchangeable into another currency and how an entity determines the exchange rate for currencies that lack exchangeability. The amendments also introduce new disclosure requirements to help users of financial statements assess the impact when a currency is not exchangeable. An entity does not apply the amendments retrospectively. Instead, an entity recognizes any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings when the entity reports foreign currency transactions. When an entity uses a presentation currency other than its functional currency, it recognizes the cumulative amount of translation differences in equity.

The amendment is effective for reporting periods beginning on or after January 1, 2025. Early application is permitted.

The Company is currently examining the impact on the financial statements.

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, Amendments to the Classification and Measurement of Financial Instruments

  The amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date.

  Other clarifications include the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments.
  Additional disclosures are introduced for financial instruments with contingent features and equity instruments classified at fair value through OCI.

  The amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for contingent features only.

  The Company is currently examining the impact on the financial statements.

  Effective beginning on or after January 1, 2027

- PFRS 18, Presentation and Disclosure in Financial Statements

  PFRS 18 'Presentation and Disclosures in Financial Statements' will replace PAS 1 'Presentation of Financial Statements while carrying forward many of the requirements in PAS 1.

  PFRS 18 introduces significant changes to numerous requirements, primarily how an entity:

  - Presents its statement of profit or loss, including the classification of income and expenses and new mandatory subtotals;
  - Aggregates and disaggregates information disclosed in financial statements; and
  - Discloses information about management-defined performance measures.

  PFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027. The standard is applied retrospectively, with specific transition provisions. Early adoption is permitted.

  The Company is currently examining the impact on the financial statements.

- PFRS 19, Subsidiaries without Public Accountability

  This standard permit eligible subsidiaries to elect to apply reduced disclosure requirements as per PFRS 19 and comply with the recognition, measurement, and presentation requirements set out in other PFRS Accounting Standards.

  These reduced disclosure requirements are expected to balance the information needs of the users of eligible subsidiaries financial statements with cost savings for preparers.

  PFRS 19 is effective for annual reporting periods beginning on or after 1 January 2027. Early adoption is permitted.

  The Company is currently examining the impact on the financial statements.

  Deferred effectivity

- Amendments to PFRS 10, Consolidated Financial Statements, and PAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

On January 13, 2016, the Financial Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the International Accounting Standards Board (PASB) completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

The Company is currently examining the impact on the financial statements.

4. MATERIAL ACCOUNTING POLICIES

Principal accounting and financial reporting policies applied by the Company in the preparation of its financial statement are enumerated below and are consistently applied to the period presented, unless otherwise stated.

Financial Instruments

The Company recognizes a financial asset or a financial liability in the statements of financial position when it becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Initial Measurement of Financial Assets
Financial instruments are recognized initially at fair value, which is the fair value of the consideration given or received. Except for those classified or designated at fair value through profit or loss (FVPL), initial measurement includes transaction costs that are directly attributable to the acquisition of financial assets or financial liabilities. Transaction costs of financial assets or financial liabilities carried at FVPL are expensed in profit or loss.

The classification depends on the purpose for which the financial assets are acquired or the financial liabilities are incurred and whether the instruments are quoted in an active market. Management determines the classification of its financial assets and financial liabilities at initial recognition and, where allowed and appropriate, re-evaluates such designation at every reporting date.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent Measurement of Financial Assets
Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

The Company classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI) with recycling of cumulative gains and losses (debt instruments);
- Financial assets at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Fair value through profit or loss (FVTPL).

Debt Instrument

Amortised cost - Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in statements of comprehensive income when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

Effective Interest Method
The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts, through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

The details of the above conditions are as follows:

The Sole payment of principal interest (SPPI) test

The Company assesses the contractual terms of financial assets to identify whether it meets the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company apply judgment and consider relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Business model assessment

The Company determines the business model at the level that best reflects how we manage groups of financial assets to achieve our business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of sales are also important aspects of our assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from our original expectations, the Company do not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Company has financial assets at amortized cost amounting to ₱18,793,401 and ₱ 10,191,799 as of March 31, 2025 and 2024, respectively.

Cash
For the purpose of presentation in the statement of cash flows, cash includes cash in banks that are unrestricted and available for current operations. This is stated in the statement of financial position at face value, which is its fair value.

Trade and other receivables
Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'trade and other receivables. Trade and other receivables are measured at amortized cost using the effective interest method, less any impairment.

FVOCI - Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in statements of comprehensive income. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statements of comprehensive income and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

The Company has no financial asset at FVOCI as of March 31, 2025 and 2024.

FVTPL - Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVTPL. Movement in fair values and interest income is recognised in statements of other comprehensive income in the period in which it arises and presented in "other gains and losses".

The Company has no financial asset at FVPL as of March 31, 2025 and 2024.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

Impairment of Financial Assets
The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the [Company, Company, Bank, or any appropriate alternative] expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in 2 stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For cash and cash equivalents, the Company applies a general approach in calculating ECLs. The Company recognizes a loss allowance based on either 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk on its cash and cash equivalents.

The Company recognizes an impairment loss in profit or loss for all financial instruments subjected to impairment assessment with a corresponding adjustment to their carrying amount through a loss allowance account.

Non-derivative Financial Liabilities
These financial liabilities are not held for trading or not designated as at FVTPL upon the inception of the liability. These include liabilities arising from operations and due to related parties. The Company classifies all its financial liabilities as subsequently measured at amortised cost, except unless otherwise stated. These liabilities are classified as current liabilities unless payment is not due within twelve (12) months after the reporting period. Otherwise, these are classified as noncurrent liabilities. Included in these other financial liabilities are the Company's accounts and other payables and due to related parties, that meet the above definition, other than liabilities covered by other PFRSs (such as income tax payable, provision, etc.).
Equity Instruments
The Company subsequently measures all its equity investments at their fair values. Equity investments are classified as FVTPL with movements in their fair values recognised in the statement of comprehensive income in the period in which the changes arise and presented in "other gains and losses", except for those equity securities which are not held for trading. The Company has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Company considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains / losses" in Other Comprehensive Income.

Classification of Financial Instruments Between Liability and Equity

A financial instrument is classified as liability if it provides for a contractual obligation to:
- deliver cash or another financial asset to another entity;
- exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or
- satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability. The components of issued financial instruments that contain both liability and equity elements are

accounted for separately, with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component on the date of issue.

Offsetting Financial Instruments.
Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has an enforceable legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statements of financial position.

"Day 1" Difference.
Where the transaction price in a non-active market is different from the fair value of other observable current market transactions of the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a 'Day 1' profit) in profit or loss unless it qualifies for recognition as some other type of asset. In cases where no observable data is used, the difference between the transaction price and model value is only recognized in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the 'Day 1' profit amount.

Fair Value Measurement and Valuation Techniques

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes, when necessary, based on the market values, being the estimated amount for which an asset could be exchanged on the date of the valuation after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The different levels of fair value of financial instruments carried at fair value, by valuation method have been defined as follows:

- Level 1: quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2: inputs other than quoted prices include within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For all other financial instruments not listed in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include net present value techniques, comparison to similar instruments for which market observable prices exist, options pricing models and other relevant valuation models.

Property and Equipment

Property and equipment are initially recognized at cost and subsequently measured at cost less any accumulated depreciation, amortization and impairment losses. The cost of an asset consists of its purchase price and costs directly attributable to bringing the asset to its working condition for its intended use.

Subsequent expenditures relating to an item of property, plant and equipment that have already been recognized are added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing

asset, will flow to the Company. All other subsequent expenditures are recognized as expenses in the period in which those are incurred.
Major spare parts and stand-by equipment qualify as property and equipment when the Company expects to use them during more than one period. Similarly, if the spare parts and servicing equipment can be used only in connection with an item of property, they are accounted for as property.

Estimated future dismantlement costs of items of property and equipment arising from legal or constructive obligations are recognized as part of statement of financial position and are measured at present value at the time when the obligation was incurred.

Depreciation is computed on the straight-line method based on the estimated useful lives of the assets as follows:

Computers	3 years

Stand-by equipment is depreciated from the date it is made available for use over the shorter of the life of the stand-by equipment or the life of the asset the stand-by equipment is part of while major spare parts are depreciated over the period starting when it is brought into service, continuing over the lesser of its useful life and the remaining expected useful life of the asset to which it relates.

An item of property, plant and equipment is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

Fully depreciated property and equipment are retained in the account until they are no longer in use and no further depreciation is charged against current operation.

Other non-current assets include:

Company's other current assets such as:

Security deposit
Pertains to sum of money held in trust to another party which will be used as a consideration in cases where in the Company committed a breach of contract.

Input Vat
Amount of value added tax gained from purchasing goods and services, which can offset to he payable to output value added tax if certain conditions are met.

Related Parties and Related Party Transactions

Parties are considered related if one party has control, joint control, or significant influence over the other party in making financial and operating decisions. The key management personnel of the Company, post-employment benefit plans for the benefit of Company's employees, and close members of the family of any individuals owning directly or indirectly a significant voting power of the Company that gives them significant influence in the financial and operating policy decisions of the Company are also considered to be related parties.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation, whether legal or constructive, as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent Liabilities and Assets
Contingent liabilities and assets are not recognized because their 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.

Contingent liabilities are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.
Contingent assets are disclosed only when an inflow of economic benefits is probable.

Equity

Capital Stock
Capital stock and capital in excess of par value are classified as equity. Incremental costs directly attributable to the issue of shares are recognized as a deduction from equity, net of any tax effect.

Deficit
Deficit represent the cumulative balance of net loss, dividend distributions, prior period adjustments, effects of the changes in accounting policy and other capital adjustments.

Cost and Expense Recognition

Cost and expense encompass losses as well as those expenses that arise in the course of the ordinary activities of the entity.

The Company recognizes expenses in the statement of comprehensive income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. Expenses in the statements of comprehensive income are presented using
the functional method.

Taxation

Deferred Tax
Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized for all deductible temporary differences, carry forward of unused tax credits from excess Minimum Corporate Income Tax (MCIT) over Regular Corporate Income Tax (RCIT) and unused Net Operating Loss Carryover (NOLCO), to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and carry forward of unused MCIT and unused NOLCO can be utilized. Deferred income tax, however, is not recognized when it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction that affects neither the accounting profit nor taxable profit or loss.

Deferred tax liabilities are recognized for taxable temporary differences. Deferred tax assets arising from deductible temporary differences are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Events after the Reporting Period

The Company identifies subsequent events as events that occurred after the reporting date but before the date when the financial statements were authorized for issue. Any subsequent events that provide additional information about the Company's financial position at the reporting date, adjusting events, are reflected in the financial statement, while subsequent events that do not require adjustments, non-adjusting events, are disclosed in the notes to financial statement when material.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical Judgments in Applying Accounting Policies

The following are the critical judgments, apart from those involving estimations that Management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognized in financial statements.

Classification of financial instruments
The Company exercises judgment in classifying a financial instrument, or its component parts, on initial recognition as either a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the statement of financial position.

In addition, the Company classifies financial assets by evaluating, among others, whether the asset is
quoted or not in an active market. Included in the evaluation on whether a financial asset is quoted in an active market is the determination on whether quoted prices are readily and regularly available, and whether those prices represent actual and regularly occurring market transactions on an arm's length basis.

Fair value of financial instruments
Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting period.

Income tax
Judgment is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for expected tax issues based on estimates of whether
additional taxes are due.
Where the final tax outcome of these matters is different from the amounts that were initially recognized, such differences will impact the profit and loss in the period in which such determination is made.

Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Deferred Tax Assets

The Company reviews the carrying amounts at each reporting date and reduces deferred tax assets 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 assets to be utilized.

Deferred tax asset amounted to ₱5,112,527 and ₱682,019 for the year ended March 31, 2025 and 2024.

Financial Assets and Liabilities
The Company carries some of its financial assets and liabilities at fair value, which require extensive use of accounting estimates and judgment. In addition, certain liabilities acquired through debt exchange and restructuring are required to be carried at fair value at the time of the debt exchange and restructuring.

While significant components of fair value measurement were determined using verifiable objective evidence, i.e., foreign exchange rates, interest rates, volatility rates, the amount of changes in fair value would differ if the Company utilized different valuation methodology. Any changes in fair value of these financial assets and liabilities would affect directly the profit or loss and equity.

6. FAIR VALUE MEASUREMENTS

Fair Value of Financial Assets and Liabilities

The carrying amounts and estimated fair values of the Branch's financial assets and financial liabilities as of March 31, 2025 and 2024 are presented below:

	2025		2024	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Financial Assets:				
Trade receivables	₱ **10,577,340**	₱ **1,928,439**	₱ 97,330	₱ 97,330
Other current assets*	**4,182,990**	**10,577,340**	349,549	349,549
Cash	**1,928,439**	**4,182,990**	9,470,990	9,470,990
	₱ **16,688,769**	₱ **16,688,769**	₱ 9,927,869	₱ 9,917,869
Financial Liabilities:				
Trade payables	₱ **32,995,334**	₱ **32,995,334**	₱ 7,957,525	₱ 7,957,525
Advances from a related party	**14,939,476**	**14,939,476**	252,986	252,986
Other liabilities**	**3,116,126**	**3,116,126**	2,581,011	2,581,011
	₱ **51,050,936**	₱ **51,050,936**	₱ 10,791,522	₱ 10,791,522

**Excludes input vat*
***Excludes government contributions, output vat payable and withholding tax payable*

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).
- The fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.
- The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.
- Financial assets and liabilities of the Branch are classified as Level 3 as of 2025 and 2024.

7. FINANCIAL RISK MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk, including currency risk, fair value interest rate risk and price risk, credit risk, liquidity risk and cash flow interest rate risk.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign

exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Corporate Treasury function reports quarterly to the Company's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

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 and related parties.

The Company has a maximum credit risk exposure in respect of the following financial assets at the reporting date:

	Notes		**2025**
Trade and other receivables		₱	**10,577,340**
Other current assets*			**4,182,990**
Cash			**1,928,439**
		₱	**16,688,769**

**Excludes input vat*

As at March 31, 2025, the aging analysis per class of financial assets is as follows:

Mach 31, 2025		**Neither Past Due nor Impaired**	**Past Due but not Impaired**				**Impaired**		**Total**
			1 to 30 Days	**31 to 60 Days**	**61 to 90 Days**	**More than 90 Days**			
Trade receivables	₱	10,577,340	-	-	-	-	-	₱	**10,577,340**
Other current assets*		4,182,990	-	-	-	-	-		**4,182,990**
Cash		1,928,439	-	-	-	-	-		**1,928,439**
	₱	16,688,769	-	-	-	-	-	₱	**16,688,769**

**Excludes input vat*

The Company's exposure to credit risk arises from default of the counterparty. The Company policy is to enter into transactions with a diversity of creditworthy parties to mitigate any significant concentration of credit risks. There is no significant concentration of credit risk within the Company.

The table below shows the credit quality of the Company's financial assets that are neither past due nor impaired based on their historical experience with the corresponding debtors.

	March 31, 2025					
	Grade A		**Grade B**		**Total**	
Trade receivables	₱	-	₱	10,577,340	₱	**10,577,340**
Other current assets*		4,182,990		-		**4,182,990**
Cash		1,928,439		-		**1,928,439**
	₱	6,111,429	₱	10,577,340	₱	**16,688,769**

**Excludes input vat*

Grade A receivables pertain to those receivables from customers or counterparties that always pay on time or even before the maturity date. Grade B includes receivables that are collected on their due dates provided that they were reminded or followed up by the Company

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 maximize the use of supplier's credit for all its major purchases and limit major capital expenditures at a reasonable level. The Company monitors its risk to a shortage of funds through monitoring of financial assets and projected cash flows from operations. The Company's objectives to manage its liquidity profile are: a) to ensure that adequate funding is available at all times; b) to meet commitments as they arise without incurring unnecessary costs; and c) to be able to access funding when needed at the least possible cost.

The Company monitors its cash position by a system of cash forecasting. All expected collections, check disbursements and other payments are determined on a weekly basis to arrive at the projected cash position to cover its obligations.

The following are the contractual maturities of financial liabilities:

	March 31, 2025			
	Carrying Amount	**Contractual Cash flows**	**6 Months or Less**	**6-12 Months**
Trade payables	₱ 32,995,334	₱ 32,995,334	₱ 32,995,334	**-**

8. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Company manages its capital to ensure that they will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt and equity of the Company (comprising issued capital, reserves and retained earnings)

The Company is not subject to any externally imposed capital requirements.

The Company's risk management committee reviews the capital structure of the Company on an annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital.

The gearing ratio at end of the reporting period was as follows:

		2025		2024
Debt	**₱**	**66,142,298**	₱	10,864,908
Cash and cash equivalents		**1,928,439**		9,470,990
Net Debt		**68,070,737**		1,393,918
Equity		**(34,581,310)**		92,939
Net debt to equity ratio		**-1.90**		15

Debt is defined as long- and short-term borrowings (excluding derivatives and financial guarantee contracts), while equity includes all capital and reserves of Company that are managed as capital.

9. CASH

This account consists of the following:

		2025		2024
Cash in bank	₱	**1,908,439**	₱	9,450,990
Petty cash fund		**20,000**		20,000
	₱	**1,928,439**	₱	9,470,990

The cash in bank account gained the Company interest income amounting to ₱2,472 and ₱1,426 as of March 31, 2025 and 2024, respectively.

10. TRADE RECEIVABLES

This account is composed of trade receivables amounting to ₱10,577,340 and ₱ 97,330 as of March 31, 2025 and 2024, respectively.

11. OTHER CURRENT ASSETS

The Company's other current assets consist of:

		2025		2024
Prepayment	₱	**2,461,855**	₱	-
Input VAT		**2,104,632**		273,930
Deposit		**1,372,740**		292,012
WIP Control		**324,104**		57,537
Accruals revenue		**24,291**		-
	₱	**6,287,622**	₱	623,479

Prepayment is composed of prepaid rent, fees, and insurance acquired by the company for their employees and their operation.

12. PROPERTY AND EQUIPMENT – NET

This account is composed of the Company's property as follows:

	Office Equipment	Furnitures and Fixtures	Warehouse Equipment	Total
Cost				
At June 22, 2023	₱ -	₱ -	₱ -	₱ -
Additions	885,868	-	-	885,868.00
At March 31,2024	₱ 885,868	₱ -	₱ -	₱ 885,868
Additions	129,101	181,424	1,759,937	2,070,462
At March 31, 2025	**₱ 1,014,969**	**₱ 181,424**	**₱ 1,759,937**	**₱ 2,956,330**
Accumulated Depreciation				
At June 22, 2023	₱ -	₱ -	₱ -	₱ -
Depreciation	119,820	-	-	119,820
At March 31, 2024	₱ 119,820	₱ -	₱ -	₱ 119,820
Depreciation	325,922	40,067	188,786	554,775
At March 31, 2025	**₱ 445,742**	**₱ 40,067**	**₱ 188,786**	**₱ 674,595**
Net Book Value March 31, 2024	₱ 766,048	₱ -	₱ -	₱ 766,048
Net Book Value March 31, 2025	**₱ 569,227**	**₱ 141,357**	**₱ 1,571,151**	**₱ 2,281,735**

13. TRADE PAYABLES

This account is composed of trade payables amounting to ₱32,995,334 and ₱7,957,525 as of March 31, 2025 and 2024, respectively.

14. CAPITAL STOCK

The composition of the Company's share capital is as follows:

	2025			2024		
	Shares		**Amount**	Shares		Amount
Authorized 170,000 shares, *₱ 100 par value*	**170,000**	**₱**	**17,000,000**	170,000	₱	17,000,000
Subscribed 114,000 shares, *₱ 100 par value*	**114,000**	**₱**	**11,400,000**	114,000	₱	11,400,000
Paid-up Balance, March 31	**114,000**	**₱**	**11,400,000**	114,000	₱	11,400,000

Ordinary shares carry one vote per share and right to dividends.

15. RELATED PARTY TRANSACTIONS

Advances from a Related Party
The Company obtained advances from the Parent Company. The effects of these transactions are shown under the appropriate accounts in the financial statements.

The outstanding balance amounted to ₱ and ₱252,986 as of March 31, 2025 and 2024, respectively. These dues shall be settled in cash and are non-interest bearing and due and demandable any time.

Renumeration of Key Management Personnel

There was no renumeration given to the key management personnel of the Company as of March 31, 2025 and 2024, respectively.

16. REVENUE

The Company's revenue is as follows:

	2025	2024
Freight revenue	₱	48,982
Handling revenue		8,555
	₱	57,537

17. OTHER INCOME

The Company's other income amounted to ₱ and ₱1,426 for the year and nine-month period ended March 31, 2025 and 2024, respectively.

18. DIRECT COST

The direct cost the Company incurred is as follows:

		2025		2024
Port and terminal	**₱**	**14,946,075**	₱	-
Handling		**8,449,314**		8,555
Cartage		**7,174,649**		-
Freight		**2,263,560**		48,982
Warehouse		**318,661**		-
Insurance-freight forwarding		**671,842**		-
Documentation		**581,611**		-
Agency		**301,707**		-
Duty paid for clients		**168,424**		-
Profit share		**164,379**		-
Salaries, wages, and other benefits		**119,968**		-
Social security		**14,278**		-
Reimbursement charged to client		**5,000**		-
Staff insurance		**3,334**		-
Communication		**2,500**		-
	₱	**35,185,301**	₱	57,537

19. OPERATING EXPENSES

This account consists of:

		2025		2024
Salaries and wages	₱	**22,764,131**	₱	8,308,172
Taxes and licenses		**4,826,184**		1,193,518
Depreciation and amortization		**2,864,739**		119,820
Management fees		**2,182,740**		-
Software		**1,655,796**		-
Rent		**1,538,468**		452,691
Employee benefit		**938,576**		42,554
Insurance		**587,393**		175,234
Interest on leases		**546,598**		-
SSS/PHIC/HDMF contributions		**375,208**		55,963
Professional fees		**252,859**		45,460
Subscription fees		**161,735**		371,706
FOREX Loss on restatement		**148,231**		-
Travel		**142,729**		78,550
Office supplies		**92,598**		18,968
Staff-temporary		**65,664**		-
Repairs		**43,614**		-
Entertainment		**41,111**		-
FOREX unrealized loss		**26,988**		-
Staff procuration		**20,224**		25,198
Bank Charge		**14,526**		-
Postage and courier		**13,981**		-
Light and power		**5,210**		-
Advertising and promotions		**786**		-
Penalty fees		**-**		12,000
Miscellaneous		**882,208**		336,807
	₱	**40,192,297**	₱	11,236,641

The miscellaneous consists of the Company's out of pocket expenses related to the Company's business registration.

20. OPERATING LEASE AGREEMENTS

Lease Agreements – Company as a Lessee

The Company entered into cancellable lease agreements for the use of its office spaces. The lease agreements have lease terms for three (3) years with annual escalation rate of five percent (5%). The lease contracts are renewable upon mutual agreement by the parties.

The balances and movements in right-of-use assets are as follows:

		2025
Cost		
Balance at beginning of year	₱	-
Additions		**16,751,060**
Derecognition		-
Balance at end of year	₱	**16,751,060**
Accumulated depreciation		
Balance at beginning of year	₱	-
Depreciation (Note 20)		**2,309,964**
Derecognition		-
Balance at end of year		**2,309,964**
Carrying amount	₱	**14,441,096**

The balances and movements in lease liabilities are as follows:

		2025
Balance at beginning of year	P	-
Additions		**15,783,468**
Rental payments		**(1,538,468)**
Interest expense (Note 21)		**546,598**
Balance at end of year		**14,791,158**
Current portion		**5,114,664**
Noncurrent portion	P	**9,676,494**

Rental expense related to the short-term leases, shown as part of operating expenses account in the statement of comprehensive income amounted to ₱1,538,468 and ₱452,691 in 2025 and 2024, respectively (Note 20).

The Company has rental deposits amounting to P1,372,740 and P292,012 in 2025 and 2024, respectively (Note 11).

21. INCOME TAXES

Components of benefit from income tax are as follows:

	2025	2024
Income tax benefit- deferred	**₱**	₱ -

A numerical reconciliation between tax benefit and the product of accounting loss multiplied by the tax rate in 2025 and 2024 is as follows:

		2025		2024
Accounting loss	**₱**	**(30,719,005)**	₱	(11,307,061)
Tax benefit at 20%		(6,143,801)		(2,261,412)
Non-deductible employee personal income tax		965,237		1,577,278
Non-deductible salaries		857,581		2,400
Interest income not subject to regular tax		(494)		(285)
Unrecognized deferred tax assets		-		682,019
	₱	**4,321,477**	₱	-

Details of NOLCO are as follows:

Year Incurred		**Amount**	**Applied Previous Year**	**Applied Current Year**	**Expired**	**Unapplied**	**Expiry Date**
2025	₱	21,607,390	₱ -	₱ -	₱ -	21,607,390	2028
2024		3,410,095	-	-	-	3,410,095	2027
	₱	**25,017,485**	**₱ -**	**₱ -**	**₱ -**	**25,017,485**	

22. DEFERRED TAX ASSETS

Details of Company's deferred tax assets which can be claimed as tax credits against regular income tax are as follows:

		At June 22, 2023	**Charge (credit) to profit or loss for the year**	**Unrecognized DTA at March 31, 2024**	**Charge (credit) to profit or loss for the year**		**At March 31, 2025**
NOLCO	₱	-	₱ 682,019	₱ 682,019	₱ 4,321,477	**₱**	**4,321,477**

23. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and authorized for issue by the Management on July 12, 2025.

SUPPLEMENTARY INFORMATION UNDER REVENUE REGULATION 15-2010

Revenue Regulations (RR) No. 21-2002 prescribing additional procedural and/or documentary requirements in connection with the preparation and submission of financial statements accompanying income tax returns was amended under RR 15-2010. The amendment that became effective on December 28, 2010 requires the inclusion in the notes to financial statements, information on taxes, duties and license fees paid or accrued during the year in addition to what is required under the Philippine Financial Reporting Standards and such other standards and/or conventions.

Below is the additional information required by RR 15 – 2010. This information is presented for purposes of filing with the BIR and is not a required part of the basic financial statements.

Taxes and Licenses Paid or Accrued

Output VAT

The Company did not incur output vat as of March 31, 2025.

	Vatable	Zero-rated	VAT-exempt	Total
Revenue	₱ 14,478,723	₱ 4,337,696	₱ -	₱ 18,816,419
	12%	0%	-	12%/0%
Output VAT	**₱ 1,737,447**	**₱ -**	**₱ -**	**₱ 1,737,447**

Input VAT

An analysis of the Company's input VAT claimed during for the nine-month period ending March 31, 2025 is as follows:

	2025
Balance, June 22, 2024	**169,958**
Current year's domestic purchases/payments for:	
Domestic purchase of services	**1,747,035**
Purchase of capital goods < 1M	**21,604**
Domestic purchase of goods other than cap goods	**43**
Total available input tax	**1,938,640**
Claims for tax credit/refund and other adjustments	**-**
Input vat allocated to exempt sales	**-**
Balance, March 31	**1,938,640**

Disclosure Requirements for Taxpayers with Related Party Transactions under RR 34 – 2020

Revenue Regulations (RR) No. 34-2020 prescribes the Guidelines and Procedures for the Submission of BIR Form No. 1709, Transfer Pricing Documentation (TPD) and other Supporting Documents, amending for this Purpose the Pertinent Provisions of Revenue Regulations (RR) Nos. 19-2020 and 21-2002, as amended by RR No. 15-2010. The Company is not covered by the requirements and procedures for related party transactions provided under this RR.

TVS Supply Chain Solutions North America, Inc.

FY 2024-25

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors,
TVS Supply Chain Solutions Limited
(Ultimate Holding Company of TVS SCS North America Inc.)

Report on the Audit of the Special Purpose Ind AS Financial Statements

Opinion

We have audited the accompanying special purpose Ind AS financial statements of TVS SCS North America Inc. ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the special purpose Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flow and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the special purpose Ind AS 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 Special Purpose Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 special purpose Ind AS financial statements.

Responsibility of Management and Those charged with Governance for the Special Purpose Ind AS Financial Statements

The Board of Directors of TVS Supply Chain Solutions Limited and TVS SCS North America Inc., are responsible for the preparation of these special purpose Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company 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 for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose Ind AS financial statements, the Board of Directors of TVS Supply Chain Solutions Limited and TVS SCS North America Inc., are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors of TVS Supply Chain Solutions Limited and TVS SCS North America Inc., are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the special purpose Ind AS financial statements, including the disclosures, and whether the special purpose Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings.

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.

Restriction of use and distribution

These special purpose Ind AS financial statements are prepared, and this report thereon is issued for the purpose of submission to lenders as part of facilities agreement signed between lenders and TVS Logistics Investment UK Limited, TVS Supply Chain Solutions Limited, TVS SCS IFM Limited (Formerly know as Rico Logistics Ltd, UK), TVS SCS Singapore Pte. Ltd. and TVS Supply Chain Solutions North America Inc., for meeting loan covenants applicable to the Company and should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 25210934BMLCGR6503
Place of Signature: Chennai
Date: July 01, 2025

TVS Supply Chain Solutions North America, Inc.
Balance sheet as at 31 March 2025
(All amounts are in USD ($) crores except share data and otherwise stated)

	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	13A	0.24	0.30
Capital work-in-progress	13B	0.00	0.02
Goodwill	14	0.72	0.72
Other Intangible assets	14	0.03	0.04
Intangibles under development	13B	-	0.01
Right-of-use assets	15	1.21	1.63
Financial assets			
Investments	16	0.09	0.09
Non current tax assets (net)	22	0.06	0.06
Deferred tax assets (net)	12	0.22	0.11
Total non - current assets		**2.57**	**2.98**
Current Assets			
Inventories	17	1.02	1.18
Financial assets			
Trade receivables	18	1.41	0.74
Cash and cash equivalents	23	0.46	0.57
Loans	19	0.09	0.08
Deposits and other receivables	20	1.04	0.45
Other financial assets	21	0.02	0.02
Other current assets	24	0.10	0.07
Total current assets		**4.14**	**3.11**
Total Assets		**6.71**	**6.09**
EQUITY AND LIABILITIES			
Equity			
Share capital	25A	-	-
Other Equity		3.20	2.57
Total Equity		**3.20**	**2.57**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Lease liability	15	0.82	1.29
Other non current liabilities	30	0.02	0.02
Total Non-current liabilities		**0.84**	**1.31**

TVS Supply Chain Solutions North America, Inc.
Balance sheet as at 31 March 2025
(All amounts are in USD ($) crores except share data and otherwise stated)

	Notes	As at 31 March 2025	As at 31 March 2024
Current liabilities			
Financial Liabilities			
Borrowings	26	0.14	-
Lease liability	15	0.56	0.46
Trade payables	28	1.35	1.32
Other financial liabilities	29	0.49	0.34
Provisions	27	0.09	0.08
Other current liabilities	31	0.04	0.01
Total current liabilities		**2.67**	**2.21**
Total liabilities		**3.51**	**3.52**
Total Equity and liabilities		**6.71**	**6.09**

The notes from 1 to 37 form an integral part of the 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 SCS North America, Inc.

Bharath N S
Partner
Membership No. 210934
Place : Chennai
Date : July 1, 2025

Ron Dover
Director

Place : St Louis, Missouri
Date : July 1, 2025

Ravi Viswanathan
Director
Place : Chennai
Date : July 1, 2025

TVS Supply Chain Solutions North America, Inc.
Statement of profit and loss for the year ended 31 March 2025
(All amounts are in USD ($) crores except share data and otherwise stated)

	Notes	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from operations	4	11.98	9.47
Other income	5	0.01	0.06
Total income		**11.99**	**9.53**
Expenses			
Purchase of stock in trade	6	5.13	4.69
Change in inventory of stock in trade	7	0.16	(0.17)
Employee benefits expense	8	4.15	3.33
Finance costs	9	0.11	0.17
Depreciation and amortization expense	10	0.57	0.47
Other expenses	11	1.36	0.84
Total expenses		**11.48**	**9.33**
Profit before tax		**0.51**	**0.20**
Income tax expense			
Current Tax	12	0.11	0.02
Deferred tax (expense/(credit))	12	0.04	(0.07)
Total tax expenses		**0.15**	**(0.05)**
Profit for the year		**0.36**	**0.25**
Earnings per share			
Basic and diluted earnings per share (USD)	25C	**1,121.67**	**778.94**

The notes from 1 to 37 form an integral part of the 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 SCS North America, Inc.

Bharath N S
Partner
Membership No. 210934
Place : Chennai
Date : July 1, 2025

Ron Dover
Chief Financial Officer

Place : St Louis, Missouri
Date : July 1, 2025

Ravi Viswanathan
Director
Place : Chennai
Date : July 1, 2025

TVS Supply Chain Solutions North America, Inc.
Statement of cash flows for the year ended 31 March 2025
(All amounts are in USD ($) crores except share data and otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Cash flow from operating activities		
Profit before tax	**0.51**	**0.20**
Adjustments for:		
Depreciation of property, plant and equipment	0.13	0.12
Amortisation of intangibles	0.02	0.02
Amortisation of ROU assets	0.41	0.33
Finance costs	0.11	0.17
Interest income	-	(0.06)
Operating profit/ (loss) before changes in operating assets	**1.18**	**0.78**
Change in operating assets and liabilities		
(Increase) / decrease in inventories	0.16	(0.18)
(Increase) / decrease in trade receivables	(0.67)	(0.43)
(Increase) / decrease in other current and non-current, financial and non-financial assets	(0.02)	2.15
Increase / (decrease) in trade payables	-	0.08
Increase / (decrease) in provisions	0.01	(0.01)
Increase / (decrease) in other current and non-current financial and non-financial liabilities	0.17	(0.32)
Cash generated from operating activities	**0.83**	**2.07**
Income taxes refunds/ (Paid) (net)	(0.11)	0.09
Net cash from operating activities (A)	**0.72**	**2.16**
Cashflows from investing activities		
Investment in bank deposits having an original maturity of > 3 months	-	0.10
Interest received	-	0.06
Deposits given to fellow subsidaries	(0.59)	-
Loans given to fellow subsidaries	(0.01)	0.42
Purchase of property, plant and equipment	(0.12)	(0.16)
Purchase of intangible assets	(0.03)	(0.03)
Net cash (Used in)/from investing activities (B)	**(0.75)**	**0.39**
Cash flows from financing activities		
Capital contribution	0.27	0.50
Interest paid	(0.01)	(0.10)
Payment of finance lease obligations	(0.48)	(0.31)
Proceeds/ (repayment) of intercompany borrowing	0.14	(2.80)
Net cash (used in) financing activities (C)	**(0.08)**	**(2.71)**
Net (decrease) in cash and cash equivalents (A+B+C)	**(0.11)**	**(0.16)**
Cash and cash equivalents as at the beginning of the year	0.57	0.73
Cash and cash equivalents as at the end of the year	**0.46**	**0.57**

The notes from 1 to 37 form an integral part of the 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 SCS North America, Inc.

Bharath N S
Partner
Membership No. 210934
Place : Chennai
Date : July 1, 2025

Ron Dover
Chief Financial Officer

Place : St Louis, Missouri
Date : July 1, 2025

Ravi Viswanathan
Director
Place : Chennai
Date : July 1, 2025

TVS Supply Chain Solutions North America, Inc.
Statement of changes in equity for the year ended 31 March 2025
(All amounts are in USD ($) crores except share data and otherwise stated)

A	**Equity Share Capital***	**Amount**
	Balance as at 1 April 2023	**-**
	Changes in equity share capital during the year 2023-24	-
	Balance as at 31 March 2024	**-**
	Changes in equity share capital during the year 2024-25	-
	Balance as at 31 March 2025	**-**

*As at March 31, 2024 and March 31, 2025, Equity Share Capital stood at $ 3209.50/- There were no changes during the years ended March 31, 2024 and March 31, 2025.

B	**Other equity**	**Securities Premium**	**Retained earnings**	**Total**
	Balance as at 1 April 2023	2.61	(0.79)	1.82
	Total comprehensive income for the year ended 31 March 2023			
	Profit for the year	-	0.25	0.25
	Other comprehensive income (net of tax)	-	-	-
	Total comprehensive income	**-**	**0.25**	**0.25**
	Transactions with owners recorded directly in equity			
	Contributions by and distribution to owners			
	Capital contribution during the year	0.50	-	0.50
	Total contributions by and distributions to owners		**-**	**-**
	Balance as at 31 March 2024	**3.11**	**(0.54)**	**2.57**
	Balance as at 1 April 2024	**3.11**	**(0.54)**	**2.57**
	Total comprehensive income for the year ended 31 March 2024			
	Profit for the year	-	**0.36**	0.36
	Other comprehensive income (net of tax)	-	-	-
	Total comprehensive income	**-**	**0.36**	**0.36**
	Transactions with owners recorded directly in equity			
	Contributions by and distribution to owners			
	Capital contribution during the year	0.27	-	0.27
	Total contributions by and distributions to owners	**0.27**	**-**	**0.27**
	Balance as at 31 March 2025	**3.38**	**(0.18)**	**3.20**

The notes from 1 to 37 form an integral part of the financial statements.

As per our report of even date attached
for S.R. Batliboi & Associates LLP
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934
Place : Chennai
Date: July 1, 2025

for and on behalf of the board of directors of
TVS SCS North America, Inc.

Ron Dover
Director
Place : St Louis, Missouri
Date: July 1, 2025

Ravi Viswanathan
Director
Place : Chennai
Date : July 1, 2025

TVS Supply Chain Solutions North America, Inc.

Notes to the financial statements for the year ended 31 March 2025

(All amounts are in USD ($) crores except share data and otherwise stated)

1 Reporting entity

TVS SCS North America.Inc ("TVS SCS NA" or the "Company") is a wholly owned subsidiary of TVS Logistics Investments USA, Inc.

The Company is a provider of specialized logistics and material management services and manufacturer of specialized assemblies and components throughout the United States. The Company has facilities located in Missouri, Iowa, South Carolina, Tenessee and California. These financial statements are prepared for meeting the financial reporting requirements of the Ultimate holding Company.

2 Basis of preparation

A Statement of compliance and Going concern

These special purpose financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the reporting requirements of the Ultimate Holding Company. The financial statements are presented in US Dollars ("USD"), except when otherwise indicated

As at March 31 2025, the net worth of the Company is fully eroded on account of operational losses. The Company has made a detailed assessment of its liquidity position using available information, estimates and judgements.Accordingly the management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future as the Company has been earning profits consistently. Hence, these special purpose financial statements have been prepared on a going concern basis.

Details of the Company's accounting policies are included in Note 3.

The above special purpose financial statements for the year ended March 31, 2025 were approved by the board of directors on July 1, 2025.

B Functional and presentation currency

These financial statements are presented in United States Dollars (USD), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crores, unless otherwise stated.

C Basis of measurement

These 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	Fair value
Contingent consideration in business combination	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

D Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 3 (J) & 4 - Recognition of revenue
- Note 3 (C), (D) & (F), 13 and 14 - Property, plant and equipment and intangible assets – useful lives and impairment
- Note 3 (F) (i) & 18 - Allowances for credit losses for trade receivables
- Note 3 (F) (ii) & 14 - Impairment testing for goodwill
- Note 3 (K), 15 - Lease classification, termination and renewal option of leases

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- Note 12 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 14 - Impairment testing for goodwill
- Note 35 – Impairment of Financial Instruments.

2 Basis of preparation (continued)

E Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the 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 Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 35 – Financial Instruments.

F Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3 Material accounting policies

A Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company 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.

B Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

− the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

− the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3 Material accounting polices (continued)

B Financial instruments (continued)

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

C Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Buildings	15
Plant and Machinery	3-10
Furniture and fixtures	1-10
Vehicles	8-10
Office equipment	3-5
Computer equipment	3-6
Leasehold improvements	1-9*

* Leasehold improvements are amortised on a straight line basis over the useful life of the asset or the lease period whichever is lower.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from those prescribed in Schedule II of the Act.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

3 Material accounting polices (continued)

D Goodwill and other intangibles

i. Goodwill

For measurement of goodwill that arises on a business combination, it represents the excess of (a) consideration paid for acquiring control and (b) acquisition date fair value of previously held ownership interest, if any, in a subsidary over the Company's share in the fair value of the net assets (including identifiable intangibles) of the subsidary as on the date of acquisition of control. Subsequent measurement is at cost less any accumulated impairment losses.

ii. Other intangible assets

Other intangible assets including those acquired by the Company in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

iii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iv. Amortisation

Goodwill is not amortised and is tested for impairment annually.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows:

Asset	Management estimate of useful life (in years)
Patents and trademarks	3 - 5
Customer relationship and others	3 - 5
Brands	3 - 5
Computer software	1 - 6

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

E Inventories

Inventories consist of packing materials, stores, stock in trade and spare parts and are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item by item basis.

F Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on

- financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is ‘credit - impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

3 Material accounting polices (continued)

F Impairment (continued)

i. Impairment of financial instruments (continued)

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and

- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12 month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward - looking information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. Goodwill is tested for impairment annually.

For impairment testing, assets that do not generate independent cash inflows are Companyed together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or Companys of CGUs that are expected to benefit from the synergies of the combination.

3 Material accounting polices (continued)

F Impairment (continued)

ii. Impairment of non-financial assets (continued)

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

G Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Share-based payment transactions

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an employee benefit expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(iii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company and its subsidiaries in various geographies make contributions, generally determined as a specified percentage of employee salaries, in respect of qualifying employees in accordance with the local laws and regulations in the respective countries which are defined contribution plans. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

(iv) Compensated Absences

Accumulated compensated absences, which are expected to be availed within 12 months from the end of the year are treated as short term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

H Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

3 Material accounting polices (continued)

I Contingent liabilities and contingent assets

Contingent liability is disclosed for all:

- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)

- present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Company discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

J Revenue

i. Sale of Products

Revenue from sales of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns and trade discounts/rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods and the amount of revenue can be measured reliably.

ii. Rendering of services

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Such revenue is recognised upon the Company's performance of its contractual obligations and on satisfying all the following conditions:
(1) Parties to the contract have approved the contract and undertaken to perform their respective obligations;
(2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the "Transfer");
(3) Such contract contains specific payment terms in relation to the Transfer;
(4) Such contract has a commercial nature, namely, it will change the risk, time distribution or amount of the Company's future cash flow;
(5) The Company is likely to recover the consideration it is entitled to for the Transfer to customers.

Revenue is recognised when no significant uncertainty exists regarding the collection of the consideration. The amount recognised as revenue is exclusive of all indirect taxes and net of returns and discounts.

Performance Obligations:

a) Transportation:

The Company's transportation segment generates revenue from providing freight and other transportation services for its customers. Certain accessorial services may be provided to customers under their transportation contracts, such as unloading and other incidental services. The transaction price is based on the consideration specified in the customer's contract. A performance obligation is created when a customer under a transportation contract submits a shipment note for the transport of goods from origin to destination. These performance obligations are satisfied over the period as the shipments move from origin to destination and revenue is recognized proportionally as a shipment moves and the related costs are recognized as incurred. Performance obligations are short-term, with transit days less than one week. Generally, customers are billed either upon shipment of the freight or on a monthly basis, and remit payment according to approved payment terms. The Company recognizes revenue on a net basis when the Company does not control the specific services.

b) Supply chain management

The Company's supply chain management segment generates revenue from services to its customers such as warehousing, packaging, kitting, reverse logistics and inventory management contracts ranging from a few months to a few years. The Company's performance obligations are satisfied over time as customers simultaneously receive and consume the benefits of the Company's services. The contracts contain a single performance obligation, as the distinct services provided remain substantially the same over time and possess the same pattern of transfer. The transaction price is based on the consideration specified in the contract with the customer and contains fixed and variable consideration. In general, the fixed component of a contract represents amounts for facility and equipment costs incurred to satisfy the performance obligation and is recognized over the term of the contract.

3 Material accounting polices (continued)

J Revenue (continued)

Variable consideration:

Generally, the Company's contracts contain provisions for adjustments to pricing based on achieving agreed-upon performance metrics, changes in volumes, services and market conditions. Revenue relating to these pricing adjustments is estimated and included in the consideration if it is probable that a significant revenue reversal will not occur in the future. The estimate of variable consideration is determined either by the expected value or most likely amount method and factors in current, past and forecasted experience with the customer. Customers are billed based on terms specified in the revenue contract and remit payment according to approved payment terms.

Contract balances:

a) Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

K Leases

Company as lessee

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the 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 (refer note 3 (G) (ii)).

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(iv) Key matters involving significant judgement

(a) Determining the lease term of contracts with termination options – Company as lessee

As per Ind AS 116, termination options are to be considered in determining the non-cancellable period. The period covered by the termination option is included if the lessee is not reasonably certain to exercise the option. Lease term is the non-cancellable period of a lease, together with any optional periods that the lessee is reasonably certain to use. The non-cancellable period of a lease is any period during which the lessee cannot terminate the contract. Consequently, any non-cancellable period in effect sets a minimum lease term. This is usually referred as "lock-in" period in the lease contract. Generally, the lease contracts are cancellable once the "lock-in" period is over, and, in most cases, the termination option is mutually available with minimum notice period requirements under the contract.

In general, since Company has made significant investments in each of the warehouse in the form of leasehold improvements, racking equipment etc. and the termination would lead to additional expenses (losses) for dismantling and would lead to business disruption, the management in general has concluded that there is economic disincentive for the Company to discontinue / terminate any arrangement. Accordingly, Para B34 of Ind AS 116, except for specific cases, the Company concludes that non-cancellable period generally includes the lease period covered by the option to terminate.

(b) Determining the lease term of contracts with renewal options – Company as lessee

As per Ind AS 116, the period covered by extension option is included if the lessee is reasonably certain to exercise the option.
As reasonable certainty is a high threshold, the Company believes in most leases where the lease term is greater than 3 years assuming reasonable certainty on lease commencement date may not be appropriate and must be evaluated on a case to case basis, considering factors such as investment in the property, renewal lease rates, specific modifications to property to meet customer requirements, importance of the location and impact on overall business disruption etc.

L Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

M Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Uncertainty over Income Tax Treatment

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

3 Material accounting polices (continued)

M Income tax (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

N Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

O Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

P Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

Q Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Key managerial personnel comprising the Managing Director and Deputy Managing Director assess the financial performance and position of the Company, and make strategic decisions and have been together identified as being the chief operating decision maker ('CODM').

R Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also weighted average number of equity shares that could have been issued upon

S New and amended standards

Changes in accounting standards and disclosures

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Amendments to Ind AS 116 Leases
Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amended Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback. The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116. The amendments do not have a material impact on the Company's financial statements since the Company has not entered into any sale and lease-back transactions.

T Standards notified but not yet effective

There are no such Standards which are notified but not yet effective.

4	**Revenue from operations**	**Year ended 31 March 2025**	**Year ended 31 March 2024**
	Sale of products	5.90	5.18
	Sale of services		
	Income from logistics services	6.08	4.29
	Total	**11.98**	**9.47**

5	**Other income**	**31 March 2025**	**31 March 2024**
	Gain on sale of property, plant and equipment, net	0.01	-
	Interest income on loans given to related parties (Refer Note 34)	-	0.06
		0.01	**0.06**

6	**Purchase of stock in trade**	**31 March 2025**	**31 March 2024**
	Purchase of stock in trade	5.13	4.69
		5.13	**4.69**

7	**Change in inventory of stock-in-trade**	**31 March 2025**	**31 March 2024**
	Inventory at the beginning of the year	1.18	1.00
	Inventory at the end of the year	(1.02)	(1.17)
		0.16	**(0.17)**

8	**Employee benefits expense**	**31 March 2025**	**31 March 2024**
	Salaries, wages and bonus	3.29	2.52
	Contribution to provident and other funds	0.31	0.25
	Staff welfare expenses	0.02	0.02
	Recruitment expenses	-	0.01
	Employee insurance expenses	0.53	0.53
		4.15	**3.33**

9	**Finance costs**	**31 March 2025**	**31 March 2024**
	Interest on debt and borrowings - Intercompany	0.01	0.10
	Interest on Lease Liabilities	0.10	0.07
		0.11	**0.17**

10 Depreciation and amortization expense	31 March 2025	31 March 2024
Depreciation of property, plant and equipment	0.13	0.12
Depreciation of right-of-use assets	0.41	0.33
Amortisation of intangible assets	0.03	0.02
	0.57	**0.47**

11 Other expenses	31 March 2025	31 March 2024
Freight charges	0.43	0.01
Casual labour charges	0.05	0.04
Rent, Leasing and hire charges	0.17	0.13
Consumption of stores and spares	0.07	0.06
Power and fuel	0.03	0.04
Rates and taxes	0.01	0.01
Insurance	0.05	0.06
Repairs and maintenance	0.07	0.09
Advertisement and business promotion	0.01	-
Travelling and conveyance	0.07	0.09
Communication costs	0.02	0.02
Printing and stationery	0.01	0.01
Bank charges	-	-
Legal and professional fees	0.12	0.09
Security expenses	0.07	0.05
Business development and management services	-	0.01
Management fees	-	0.06
Software expenses	0.08	0.06
Factoring charges	-	0.01
Others	0.10	-
	1.36	**0.84**

12 Income tax expense

A Amounts recognised in profit or loss

	Year ended 31 March 2025	Year ended 31 March 2024
Current tax (a)		
Current tax on profits for the period from continuing operations	0.11	0.02
	0.11	**0.02**
Deferred tax (b)		
Attributable to origination and reversal of temporary differences	0.04	(0.07)
	0.04	**(0.07)**
Tax expense (a+b)	**0.15**	**(0.06)**

B Reconciliation of effective tax rate

	Year ended 31 March 2025	Year ended 31 March 2024
Profit before share of profit of equity accounted investee and income tax	0.50	0.20
Income tax expense at tax rates applicable to individual entities	0.12	0.05
Effect of :		
Recognition of deferred tax asset on earlier year losses	(0.02)	(0.09)
Utilisation of previously unrecognised tax losses	-	(0.04)
Others	0.05	0.03
Income tax expense as per statement of profit and loss	**0.15**	**(0.05)**

C Recognised deferred tax assets and liabilities

a. Deferred tax assets and liabilities are attributable to the following :

Deferred tax assets (net)	**31 March 2025**	**31 March 2024**
Provision for employee benefits	0.01	0.01
Carried forward tax losses	0.19	0.09
Right of use asset and liability	0.03	0.03
Others	0.01	0.01
Deferred tax assets (a)	**0.24**	**0.14**
Property, plant and equipment	0.02	0.03
Prepaid Expense	-	-
Deferred tax liabilities (b)	**0.02**	**0.03**
Net Deferred tax assets (a-b)	**0.22**	**0.11**

12 Income tax expense (continued)

C. Recognised deferred tax assets and liabilities (continued)

b. Movement in deferred tax assets and liabilities

	Balance as at 01 April 2023	Recognised in Profit & Loss	Balance as at 31 March 2024	Recognised in Profit & Loss	Transfer of loss from Holding Co.	Balance as at 31 March 2025
Deferred tax assets (net)						
Provision for employee benefits	0.01	-	0.01	-	-	0.01
Provision for others	0.01	(0.01)	-	-	-	-
Carried forward tax losses *	0.06	0.03	0.09	(0.05)	0.15	0.19
Right of use asset and liability	0.01	0.02	0.03	-	-	0.03
Others	0.01	-	0.01	-	-	0.01
Deferred tax assets (a)	0.10	0.04	0.14	(0.05)	0.15	0.24
Property, plant and equipment	0.04	(0.01)	0.03	(0.01)	-	0.02
Forex	0.01	(0.01)	-			
Prepaid expense	0.01	(0.01)	-	-	-	-
Deferred tax liabilities (b)	0.06	(0.03)	0.03	(0.01)	-	0.02
Net Deferred tax assets (a-b)	**0.04**	**0.07**	**0.11**	**(0.04)**	**0.15**	**0.22**
Net amount recognised in statement of profit and loss / other comprehensive income		**(0.07)**		**0.04**		

*Deferred tax assets on carryforward losses amounting to USD 0.15 crore have been transfered from parent entity in the current year.

TVS Supply Chain Solutions North America, Inc.
Notes to the financial statements for the year ended 31 March 2025
(All amounts are in USD ($) crores except share data and otherwise stated)

13A Property, plant and equipment

A Reconciliation of carrying amount

	Plant and equipment	Furniture and fixtures	Computer equipment	Leasehold improvement	Vehicles	Total
Gross carrying amount						
Balance at 01 April 2023	0.57	0.11	0.18	0.17	0.03	1.06
Additions on acquisitions						-
Other additions	0.02	0.02	0.08	0.06	0.01	0.19
Disposals	(0.08)	-	-	-	(0.01)	(0.09)
Balance at 31 March 2024	**0.51**	**0.13**	**0.26**	**0.23**	**0.03**	**1.16**
Balance at 01 April 2024	0.51	0.13	0.26	0.23	0.03	1.16
Other additions	0.07	0.03	0.01	0.01	-	0.12
Disposals	(0.01)	(0.06)	-	(0.02)	-	(0.09)
Balance at 31 March 2025	**0.57**	**0.10**	**0.27**	**0.22**	**0.03**	**1.19**
Accumulated depreciation and Impairment losses						
Balance at 01 April 2023	0.48	0.04	0.15	0.12	0.03	0.82
Depreciation for the year	0.06	0.01	0.02	0.03	-	0.12
Disposals	(0.08)	-	-	-	-	(0.08)
Balance at 31 March 2024	**0.46**	**0.05**	**0.17**	**0.15**	**0.03**	**0.86**
Balance at 01 April 2024	0.46	0.05	0.17	0.15	0.03	0.86
Depreciation for the period	0.04	0.01	0.04	0.04	-	0.13
Disposals	(0.01)	(0.02)	-	(0.01)	-	(0.04)
Balance at 31 March 2025	**0.49**	**0.04**	**0.21**	**0.18**	**0.03**	**0.95**
Carrying amounts (net)						
As at 31 March 2024	**0.05**	**0.08**	**0.09**	**0.08**	**-**	**0.30**
As at 31 March 2025	**0.08**	**0.06**	**0.06**	**0.04**	**-**	**0.24**

13B Capital work-in-progress & Intangible assets under development

A Ageing of capital work-in-progress & intangible assets under development

As of 31 March 2025	**< 1 year**	**1 to 2 years**	**> 3 years**	**Total**
Projects in progress				
Intangible assets under development	-	-	-	-
	-	**-**	**-**	**-**

As of 31 March 2024	**< 1 year**	**1 to 2 years**	**> 3 years**	**Total**
Projects in progress				
Capital work-in-progress	0.02	-	-	0.02
Intangible assets under development	0.01	-	-	0.01
	0.03	**-**	**-**	**0.03**

14 Intangible assets

a Reconciliation of carrying amount

	Goodwill	Customer relationship & others	Computer software	Total (Excluding Goodwill)
Gross carrying amount				
Balance as at 01 April 2023	0.72	0.01	0.27	**0.28**
Other additions	-	-	0.04	**0.04**
Balance at 31 March 2024	**0.72**	**0.01**	**0.31**	**0.32**
Balance at 01 April 2024	**0.72**	**0.01**	**0.31**	**0.32**
Other additions	-	-	0.02	**0.02**
Balance at 31 March 2025	**0.72**	**0.01**	**0.33**	**0.34**
Accumulated amortization and impairment loss				
Balance as at 01 April 2023	-	0.01	0.25	**0.26**
Amortization for the year	-	-	0.02	**0.02**
Balance at 31 March 2024	**-**	**0.01**	**0.27**	**0.28**
Balance at 01 April 2024	**-**	**0.01**	**0.27**	**0.28**
Amortization for the period	-	-	0.03	**0.03**
Balance at 31 March 2025	**-**	**0.01**	**0.30**	**0.31**
Carrying amounts (net)				
At 31 March 2024	**0.72**	**-**	**0.04**	**0.04**
At 31 March 2025	**0.72**	**-**	**0.03**	**0.03**

b Impairment loss and subsequent reversal

The Company has performed impairement tests of goodwill for the year ending March 31, 2025. 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 impairement test is performed at the level of cash generating unit or a Company of cash generating units represented by a common business segment. Cash flows beyond the five year period are extrapolated by using the estimated long term growth rates. The growth rates do not exceed the long term average growth rate for the logistics/supply chain industry in which the cash generating unit operates. Future cash flows are discounted based on the weighted average cost of capital (WACC), taking into account the risks that are specific to the cash generating units.

Impairment: Key assumptions used for calculating the value in use:

Cash generating unit	SCS NA Group
Carrying amount of goodwill as at 31 March 2025	0.72
Carrying amount of goodwill as at 31 March 2024	0.72
Basis of recoverable amount	Value in use
Pre-tax discount rate 31 March 2025	12.7%
Pre-tax discount rate 31 March 2024	8.4%
Projection period	5 Years
Terminal growth rate 31 March 2025	1%
Terminal growth rate 31 March 2024	1%

Key assumptions have not changed significantly compared to the previous year with the exception of discount rates used. For March 2025, the recoverable amounts exceeded their carrying amounts and consequently no impairement of goodwill was recognised for the year ending March 31, 2025.

15 Right of use assets

a The assets leased consist of vehicles, forklifts and warehouses for a lease term of more than 12 months.

b Set out below are the carrying amounts of right of use assets recognised and the movements during the period

	Building	Plant and equipment	Vehicles	Total
Net carrying amount				
Balance as at 01 April 2023	**1.34**	**0.01**	**-**	**1.35**
Additions	0.54	0.03	0.04	0.61
Depreciation (less)	(0.30)	(0.01)	(0.02)	(0.33)
Balance as at 31 March 2024	**1.58**	**0.03**	**0.02**	**1.63**
Reversals (less)	-	(0.01)	-	(0.01)
Depreciation (less)	(0.39)	(0.02)	-	(0.41)
Balance as at 31 March 2025	1.19	-	0.02	1.21

c Set out below are the carrying amounts of lease liabilities and the movement during the period

	31 March 2025	31 March 2024
Balance at the beginning of the period	1.75	1.38
Additions	-	0.61
Accretion of interest	0.10	0.07
Payments	(0.47)	(0.31)
Reversals	-	-
Balance at the end of the period	1.38	1.75
Current	0.56	0.46
Non - Current	0.82	1.29

d The following are recongnised in the statement of profit and loss

	31 March 2025	31 March 2024
Depreciation expenses of right of use assets	0.41	0.33
Interest expenses on lease liabilities	0.10	0.07
Expenses relating to short term leases and leases of low value assets	0.17	0.11
Total amount recognised in profit or loss	0.68	0.51

16 Investments

A Non-current investments

	31 March 2025	31 March 2024
Unquoted equity shares		
Investments in TVS Supply Chain Solutions De Mexico	0.09	0.09
9 Fixed & 20,000 Variable (31 March 2024 : 9 Fixed & 20,000 Variable) equity shares of MXN 1,000 each fully paid up		
Aggregate value of unquoted investment	**0.09**	**0.09**

Pursuant to detailed impairment assessment carried out by the management based on future forecasts approved by the board, the carrying value of the investment in the subsidiary is not impaired and hence no impairment provision is made in the books as on

17 Inventories

	31 March 2025	31 March 2024
Stock in trade (Includes in Transit of $0.11 (31 March 2024 - $0.18))	1.02	1.18
	1.02	**1.18**

18 Trade receivables

	31 March 2025	31 March 2024
Unsecured, considered good from intercompanies	0.03	0.01
Unsecured, considered good from others	1.38	0.73
Net trade receivables	**1.41**	**0.74**
Non-current	-	-
Current	1.41	0.74

Of the above, trade receivables from related parties are as below :

	31 March 2025	31 March 2024
Trade receivables	0.03	0.01
Loss allowance	-	-
Net trade receivables	**0.03**	**0.01**

Ageing of Current trade receivables from the due date of payment:

31 March 2025	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	> 3 years	Total
Unsecured, considered good							
Undisputed, external	1.29	0.08	0.01	-	-	-	**1.38**
Intercompany	-	0.03	-	-	-	-	**0.03**
	1.29	0.11	0.01	-	-	-	**1.41**
Total	**1.29**	**0.11**	**0.01**	**-**	**-**	**-**	**1.41**

31 March 2024	Not due	< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	> 3 years	Total
Unsecured, considered good							
Undisputed, external	0.72	0.01	-	-	-	-	**0.73**
Intercompany	0.01	-	-	-	-	-	**0.01**
	0.73	0.01	-	-	-	-	**0.74**
Total	**0.73**	**0.01**	**-**	**-**	**-**	**-**	**0.74**

19 Loans

	Current	
	31 March 2025	31 March 2024
Loan to related parties		
Unsecured, considered good (Refer Note 34)	0.09	0.08
	0.09	**0.08**

20 Deposits and other receivables

	Current	
	31 March 2025	31 March 2024
Security deposits		
Unsecured considered good	0.01	0.02
	0.01	**0.02**
Other receivables		
Receivable from related parties (Refer Note 34)	1.03	0.43
	1.04	**0.45**

21 Other financial assets

	Current	
	31 March 2025	31 March 2024
Advances recoverable in cash or kind		
Unsecured considered good	-	0.01
Unbilled revenue	0.02	0.01
	0.02	**0.02**

22 Tax assets net

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Tax assets				
Advance tax	0.06	0.06	-	-
	0.06	**0.06**	**-**	**-**

23 Cash and cash equivalents

	31 March 2025	31 March 2024
Balance with banks		
On current accounts	0.46	0.57
	0.46	**0.57**

24 Other current assets

	31 March 2025	31 March 2024
Advance related to supply of goods and services to parties other than related parties		
Unsecured, considered good	0.02	0.02
Other current assets		
Prepayment	0.06	0.05
Other current assets	0.02	-
	0.10	**0.07**

25A Share capital

	31 March 2025	31 March 2024
Authorised share capital*		
30,000 (31 March 2024: 30,000) Common stock of USD 1 each	-	-
Issued, subscribed and paid up**		
3,209.50 (31 March 2024: 3,209.50) Common stock of USD 1 each	-	-

*As at March 31, 2024 and March 31, 2025, authorised equity share capital stood at $ 30,000/- There were no changes during the years ended March 31, 2024 and March 31, 2025.

**As at March 31, 2024 and March 31, 2025, Issued, subscribed and paid up equity share capital stood at $ 3,209.50/- There were no changes during the years ended March 31, 2024 and March 31, 2025.

a. Reconciliation of shares outstanding at the beginning and at end of the reporting year

	31 March 2025		31 March 2024	
	Nos	in LC	Nos	in LC
Equity shares				
At the beginning of the year	3,209.50	-	3,209.50	-
Movements during the year	-	-	-	-
Outstanding at the end of the year	**3,209.50**	**-**	**3,209.50**	**-**

b. Terms/rights attached to equity shares

The Company has one class of equity shares having face value of USD 1 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company - -

	Number of shares	% holding	Number of shares	% holding
Equity shares of USD 100 each, fully paid up				
TVS Logistics Investments USA, Inc.	3,209.50	100%	3,209.50	100%

25B Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

	31 March 2025	31 March 2024
Total current and non-current borrowings	0.14	-
Debt	**0.14**	**-**
Total equity	3.20	2.57
Debt to equity ratio	**0.04**	**-**

25C Earnings per share

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows

(i) Profit attributable to equity shareholders	31 March 2025	31 March 2024
Profit for the year, attributable to equity shareholders	0.36	0.25

(ii) Weighted average number of equity shares	31 March 2025	31 March 2024
Weighted average number of equity shares outstanding during the year	3,209.50	3,209.50
Weighted average number of equity shares	**3,209.50**	**3,209.50**
(iii) Basic and diluted earnings per share (USD)	**1,121.67**	**778.94**

26 Borrowings

	31 March 2025	31 March 2024
(a) Current borrowings		
Loan from related parties		
Interest charged loan from related parties (Refer Note 34)	0.14	-
Total current borrowings	**0.14**	**-**

A. Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

	Currency	Nominal Interest rate	Year of maturity	Carrying amount as at 31 March 2025	Carrying amount as at 31 March 2024
Unsecured loans repayable on demand (Including intercompany)					
TVS Supply Chain Solutions Pte Ltd	USD	6%	On Demand	0.14	-

B. Details of unsecured loans

Loans repayable on demand from related parties

Unsecured term loan from fellow subsidiary

During the year, TVS SCS North America,Inc. entered into an agreements with TVS Singapore Pte Ltd for securing loan of $14,25,000. The loan is repayable on demand. The loan carries an effective interest of 6% p.a.

27 Provisions

	Current	
	31 March 2025	31 March 2024
Provisions for employee benefits		
Liability for compensated absences	0.09	0.08
	0.09	**0.08**

28 Trade payables

	31 March 2025	31 March 2024
Trade and other payables to intercompany	0.21	0.30
Other trade payables - services	0.81	0.69
Other trade payables - goods	0.33	0.33
	1.35	**1.32**

Ageing of trade payables from the due date of payment:

31 March 2025	Not due	< 1 year	1 to 2 years	2 to 3 years	> 3 years	Total
Undisputed dues - Others	0.64	0.49	-	-	-	1.13
Intercompany	0.01	0.03	-	-	0.17	0.21
	0.65	**0.52**	**-**	**-**	**0.17**	**1.34**

31 March 2024	Not due	< 1 year	1 to 2 years	2 to 3 years	> 3 years	Total
Undisputed dues - Others	0.84	0.18	-	-	-	1.02
Intercompany	0.03	-	0.04	0.06	0.17	0.30
	0.87	**0.18**	**0.04**	**0.06**	**0.17**	**1.32**

29 Other financial liabilities

	31 March 2025	31 March 2024
Amount due to employees	0.30	0.17
Capital creditors	-	0.01
Payable to group companies	0.19	0.16
	0.49	**0.34**

30 Other non current liabilities

	31 March 2025	31 March 2024
Deferred revenue	0.02	0.02
	0.02	**0.02**

31 Other current liabilities

	31 March 2025	31 March 2024
Deferred revenue	0.03	-
Statutory dues	0.01	0.01
	0.04	**0.01**

32 Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"

A Disaggregation of revenue

Segment	31 March 2025			31 March 2024		
	USA	Outside USA	Total	USA	Outside USA	Total
Type of goods or service						
Revenue from supply chain management services	11.98	-	11.98	9.39	0.08	9.47
Total revenue from contracts with customers	**11.98**	**-**	**11.98**	**9.39**	**0.08**	**9.47**

Revenues from external customers in respect of each category of services rendered by the Company are as follows:

Revenue	31 March 2025	31 March 2024
Finished Goods/Warehouse	5.90	5.18
Transportation and Integrated Logistics	6.08	4.29
	11.98	**9.47**

B Summary of contract balances

Particulars	31 March 2025	31 March 2024
Trade Receivables	1.41	0.74
Contract Assets	0.02	0.01

C Reconciliation of revenue from sale of products/services with the contracted price

Particulars	31 March 2025	31 March 2024
Revenue as per contracted price	11.98	9.47
Less: Trade discounts, volume rebates etc.	-	-
Revenue as per statement of profit and loss	11.98	9.47

33 Transfer pricing

The Company and its subsidiaries each have international and domestic transactions with related parties. The management confirms that it maintains documents as prescribed by the respective laws and regulations of the various jurisdictions in which the Company operates to prove that the international and domestic transactions are at arm's length and the aforesaid laws and regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation upto and for the year ended March 31, 2025.

34 Related Party disclosures

i. Names of the related parties and nature of relationship where control exists

A. Ultimate holding company	TVS Supply Chain Solutions Limited
B. Holding company	TVS Logistics Investment USA, Inc.
C. Subsidiaries	TVS Supply Chain Solutions De Mexico, S.A. de C.V., Mexico TVS Transport Solutions, LLC. TVS Supply Chain Solutions Manufacturing North America, Inc. TVS Packaging Solutions Inc. US
D. Fellow Subsidiaries	TVS Supply Chain Solutions Limited, UK TVS SCS Global Freight Solutions Ltd. Rico Logistics Limited, UK TVS Logistics Investment UK Limited TVS SCS Taiwan Limited TVS SCS Logistics Ltd TVS Supply Chain Solutions Pte. Ltd. SPC International Inc

ii. Transactions during the year:	**Year ended 31 March 2025**	**Year ended 31 March 2024**
Income from logistics services		
TVS Dynamic Global Freight Services Limited	0.09	-
TVS SCS Singapore Pte. Ltd	0.02	-
TVS SCS (Aust) Pty. Ltd.	0.14	-
TVS SCS Logistics Ltd	0.01	-
Other Income		
TVS Logistics Investments USA Inc., USA	-	0.06
Purchase of stock in trade		
TVS SCS Logistics Ltd	-	0.03
TVS SCS Taiwan Ltd	-	0.01
Expenses incurred on behalf of		
TVS Supply Chain Solutions Limited	-	0.02
SPC International Inc.	-	0.02
TVS Srichakra	0.01	-
Freight charges		
TVS SCS Logistics LTD	0.02	-
TVS Dynamic Global Freight Services Limited	0.04	-
Management fee & Other expense		
TVS Supply Chain Solutions Limited - Management Fees	-	0.06
TVS Supply Chain Solutions Limited - Casual Labour	-	0.01
TVS Supply Chain Solutions Limited - Cross charges and COE charges	0.08	-
TVS Supply Chain Solutions Pte. Ltd. - Cross charges and COE charges	0.01	-
Interest Expense		
TVS Logistics Investments UK, Limited - Interest Expense	-	0.10

iii. Year end balances :	As at 31 March 2025	As at 31 March 2024
Trade Receivable		
TVS SCS Global Freight Solutions Ltd.	0.02	0.01
TVS SCS (Aust) Pty. Ltd.	0.01	-
Loans receivable from		
TVS Supply Chain Solutions de Mexico, S.A. de C.V.	0.03	0.03
TVS Transport Solutions, LLC	0.06	0.05
Other Receivables		
TVS Logistics Investments USA	0.40	0.40
TVS Supply Chain Solutions Limited	0.03	0.03
TVS Supply Chain Solutions Manufacturing North America, Inc.	0.60	-
Trade Payables		
TVS Supply Chain Solutions Limited	0.19	0.27
TVS SCS Logistics LTD	-	0.01
TVS SCS Taiwan LTD	0.01	0.01
TVS Supply Chain Solutions Pte. Ltd.	0.04	0.01
TVS SCS Singapore Pte. Ltd	(0.03)	-
Loan payables		
TVS Supply Chain Solutions Pte Ltd	0.14	-
Other Payable		
TVS Logistics Investments UK, Limited	0.01	0.09
TVS Logistics Investments USA, Inc.	0.19	0.04
TVS Supply Chain Solutions Pte. Ltd.	-	0.03

35 Financial instruments - Fair values and risk management

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories were as follows:

	Note	Carrying amount					
		31 March 2025			31 March 2024		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets carried at amortised cost							
Loans	19	-	-	0.09			0.08
Deposits and other receivables	20	-	-	1.04	-	-	0.45
Trade receivables	18	-	-	1.41	-	-	0.74
Cash and cash equivalents	23	-	-	0.46	-	-	0.57
Other bank balances	28	-	-	-	-	-	-
Other financial assets	21	-	-	0.02	-	-	0.02
Total		**-**	**-**	**3.02**	**-**	**-**	**1.86**
Financial liabilities not measured at fair value							
Borrowings	26	-	-	0.14	-	-	-
Lease liability	15	-	-	1.38	-	-	1.75
Trade payables	28	-	-	1.35	-	-	1.32
Other financial liabilities	32	-	-	0.49	-	-	0.34
Total		**-**	**-**	**3.36**	**-**	**-**	**3.41**

The Company has not disclosed fair values of other financial instruments such as investments, deposits and other receivables, trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables, other financial liabilities because their carrying amounts are reasonable approximations of their fair values. The Company has also not disclosed fair values of investments carried at cost.

35 Financial instruments - Fair values and risk management (continued)

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for financial assets are as follows:

	Carrying amount	
	31 March 2025	31 March 2024
Trade receivables	1.41	0.74
Cash and cash equivalents	0.46	0.57
Loans	0.09	0.08
Deposits and other receivables	1.04	0.45
Other financial assets	0.02	0.02
Total	**3.02**	**1.86**

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

The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available information about customers from internal/external sources. The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.

Cash and cash equivalents and other bank balances

The Group holds cash and bank balances of $0.46 crores as at 31 March 2025 (31 March 2024: $0.57 crores). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be

Deposits and other receivables, Investments and other financial assets

The Group holds deposits and other receivables, investments and other financial assets of $1.15 crores as at 31 March 2025 (31 March 2024: $0.55 crores). The credit worthiness of such parties are evaluated by the management on an ongoing basis and is considered to be good.

35 Financial instruments - Fair values and risk management (continued)

B. Financial risk management (continued)

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

		Contractual cash flows			
	Carrying amount	**Total**	**1 year or less**	**1-5 years**	**More than 5 years**
31 March 2025					
Non derivative financial liabilities					
Current and non-current borrowings					
Unsecured loans repayable on demand	0.14	0.14	0.14	-	-
Others					
Trade payables	1.35	1.35	1.35		
Lease liability	1.38	1.61	0.56	1.04	0.01
Other financial liabilities	0.49	0.49	0.49		
	3.36	**3.59**	**2.54**	**1.04**	**0.01**

		Contractual cash flows			
	Carrying amount	**Total**	**1 year or less**	**1-5 years**	**More than 5 years**
31 March 2024					
Non derivative financial liabilities					
Current and non-current borrowings					
Unsecured loans repayable on demand	-	-	-	-	-
Others					
Trade payables	1.32	1.32	1.32	-	-
Lease liability	1.75	2.04	0.46	1.47	0.11
Other financial liabilities	0.34	0.34	0.34	-	-
	3.41	**3.70**	**2.12**	**1.47**	**0.11**

35 Financial instruments - Fair values and risk management (continued)

iv. Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and equity prices will affect the Company and the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

Foreign exchange risk arises from a change in foreign currency exchange rate, which is expected to have an adverse effect on the Group in the current reporting period and in future years. Fluctuations in the exchange rate between the functional currencies and US Dollar will therefore have an impact on the Group. It is the Group's policy not to hedge exposures arising from such translations.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	31 March 2025	31 March 2024
Fixed rate instruments		
Financial assets		
- Loans	0.09	0.08
Financial liabilities		
- Loans repayable on demand	0.14	-

Fair value sensitivity analysis for fixed rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would not have any impact on the reported profit or loss or equity as these fixed rate instruments (deposits with banks) are carried at amortised cost, any changes in interest rates are not considered for subsequent measurement.

36 Capital commitments and contingent liabilities

As of March 31, 2025 and 2024, the company did not have outstanding capital commitments or contingent liabilities, respectively.

Other matter

The company is part of an ongoing litigation with few of its employees and believes that the liability accrued in the books fairly represents the amounts payable, if any, to these employees and believes no further adjustments are considered necessary to these financial statements.

37 Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of this financial statements.

As per our report of even date attached
for **S.R. Batliboi & Associates LLP**
Firm Registration Number : 101049W / E300004
Chartered Accountants

Bharath N S
Partner
Membership No. 210934

Place : Chennai
Date: July 1, 2025

for and on behalf of the board of directors of
TVS Logistics Investments USA Inc.

Ron Dover
Director
Place : St Louis, Missouri
Date: July 1, 2025

Ravi Viswanathan
Director
Place : Chennai
Date : July 1, 2025

TVS Logistics Investment UK Limited

FY 2024-25

TVS Logistics Investment UK Limited

Annual report and financial statements

Registered number 07003943

Year ended 31 March 2025

Officers and professional advisors

Directors
P J Roberts
A Jayaraman
R Bhagavathula (resigned 15 April 2025)
R Viswanathan
N Seshadri (appointed 11 November 2024)
R Vaidhyanatha (appointed 15 April 2025)

Secretary
P J Roberts

Registered office
Logistics House
Buckshaw Avenue
Chorley
Lancashire
PR6 7AJ

Bankers
Barclays Bank PLC
Leicester
Leicestershire
United Kingdom
LE87 2BB

Auditor
PBG Associates Ltd
Chartered Accountants and Statutory Auditors
65 Delamere Road
Hayes
United Kingdom
UB4 0NN

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Group Strategic report

The Directors present their Strategic Report of the TVS Logistics Investment UK Limited Group ("the Group") for the year ended 31 March 2025.

Review of business

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

The Underlying Loss for the year before taxation was £6,033,000 *(2024:* £22,194,000*)* on which there was a taxation credit of £699,000 *(2024: charge of £2,513,000)*.

	2025	2024
	£000	£000
(Loss) for the year before taxation	**(7,752)**	(24,070)
Loss on Foreign exchange *(note 7)*	**1,719**	1,876
Underlying (Loss) for the year	**(6,033)**	(22,194)

The Group's underlying result continued as a loss in 2025. This was largely due to inflationary impacts on the cost base in 2025 that could not be passed on to customers immediately due to the timings of the inflationary pricing mechanisms in the customer contracts. Management has been working on various review projects in order to bring this under control in 2026. This will be done by raising the Group's prices to customers on contract anniversaries, through rigorous cost control initiatives and innovations to the offerings provided. During the year the Group won several new contracts and key contract renewals. The Group continues to develop its in-house systems and to investigate new markets to ensure that it continues to grow successfully.

The Group has two trading statutory entities: TVS Supply Chain Solutions Limited and TVS IFM Limited (formerly Rico Logistics Limited).

The Group has once again seen revenue growth from the prior year. This is a combination of the purchase of the trade of Peter Thomas & Co (Refurbishing), revenue growth from existing customers and annualisation of revenue from new customers won during the prior year. In addition to the growth several key contracts have been renewed and extended. Further growth is anticipated in the Financial Year ending 31st March 2026. The Group operates across the automotive, utilities & smart metering, beverage, rail, industrial and defence sectors and this diversification helped the Group continue to thrive. The Group has a strong pipeline of new business.

TVS IFM Limited's presence in and commitment to the UK was instrumental to securing new major contracts with customers in the pharmaceutical and utilities sectors and renewing several contracts across the international customer base.

Price increase was the focus in the current financial year with all customers having price increases implemented. The business did not suffer any major customer loss due to price increase drive during the year. The Group will continue to implement price increases in the following financial years and the full benefit is expected to be visible over the coming financial periods.

Several cost saving initiatives are being undertaken to reduce the cost base and improve the profitability. External consultants were appointed to assess the cost saving measures initiated which were validated by them. Major cost savings initiatives were undertaken with respect to premises as well as personnel costs. The full benefit of these cost savings is expected to be visible in financial year 2026.

Due to Brexit, there has been an increase in UK storage costs. This has resulted in increased rental costs due to contract renewals in the last quarter of 2024 and renewals in the first quarter of 2025. However, these cost increases will be more than offset by price increase initiatives as well as new business.

IFM business is being integrated into the European business operations resulting in a wider range of service offerings to customers and increased revenues. Additionally, there are synergies in the cost which are expected to accrue in the next financial year. The full benefit of this integration of business units is expected to be visible from 2026 onwards. Additionally, there are several overhead reduction initiatives undertaken during the 2nd half of financial year 2025 which have started to yield results during the 4th quarter of financial year 2025 with full year impact in the financial year 2026.

At the year end the Group had shareholders' funds of £63,311,000 (2024: £70,897,000) and negative retained earnings of £13,234,000 (2024: £6,094,000). The Directors therefore believe that the financial position of the Group is satisfactory. The Directors consider that the Group is well placed for future growth. The Group continues to develop business opportunities in new markets and sectors. During the prior period, the Group issued 3,768,506 shares for a total consideration of £70,275,072 to its Parent Company (TVS Supply Chain Solutions Limited India) as part of a group structure initiative to clear down intercompany loans and infuse equity.

Key performance indicators

Financial

The Group considers its key performance indicators (KPIs) to be that of revenue, operating profit, EBITDA and PBT. The revenue of the Group for the period has continued to increase on the previous year as a result of new business development and organic growth.

	2025	2024	2023
	£000	£000	£000
Revenue	**401,456**	388,475	360,676
Operating Profit/(loss) (after depreciation and amortisation)	**828**	(4,203)	1,583
EBITDA (Operating profit before depreciation and net financing)	**14,321**	8,167	15,569

The Group has seen revenue growth of £12,981 from the prior year (2024: £27,799,000).

Operating profit and EBITDA have suffered due to cost inflation that could not be passed on to customers immediately as it arose.

Non-Financial

The non-financial key performance indicators are those that are enshrined in its key customer contracts and vary from contract to contract. These include inventory first fill availability, on time shipping, error free picking and inventory accuracy. In the case of certain customers, the Group is not contracted to any KPI's. The Group tries to exceed customer expectations and therefore has set internal measures that generally exceed its contractual KPI obligations to its customers or creates better than industry standard measures where contractual measures don't exist. Against these measures the Group achieved a product availability measure of 99.24% (2024: 96.59%) and a transport delivery on time performance of 97.55% (2024: 94.35%). The Group has linked all employees' incentives to delivering inspirational service to its customers measured by its key performance indicator – the Inspirational Service Index – which is an on time in full measure.

Principal risks and uncertainties

The Group maintains 5 ISO certified management systems (quality, security, environmental, business continuity and health and safety) and each one is risk focused.

Risk registers for each area are reviewed and maintained multiple times over the year and feed directly into area specific working groups and also upward into our management review meetings with the UK Board.

Risk plays a major part in our compliance with ISO systems and as such these are externally audited by our certifying body, UKAS accredited LRQA.

Regular communications from management, such as Group wide briefings, occur to issue best practice and emphasise ethical behaviour. In addition, policies are maintained, updated, and issued where necessary on an external platform.

The key risks to the Group:

- Winning of new business
- Retention of key staff
- Impact of inflation
- Cost of living
- Supply chain risk
- Foreign Exchange

Winning new business

Failure to win new customer contracts is a key risk. During the year the Group won a number of new customer contracts and secured several key contract renewals. The Group has a strong pipeline of potential new customers for financial year 2026 and 2027.

The winning of new contracts and the renewal of existing contracts is dependent upon the Group providing a highly cost effective and customer service driven service offering. The Group manages this risk by demonstrating to its customers that it is providing added value services to the customers' business that differentiates the Group from its competitors.

Retention of key staff

Retention of employees is fundamental to the success of the Group. The Group's success is driven by its employees and the Group continues to ensure this is recognised. The culture of the Group promotes a positive workplace with employee feedback captured by surveys and focus groups. Results are reported to board level.

Inflation

Despite inflation dropping to 3.2% (2024: 3.8%) (RPI percentage change over 12 months) there is cost pressure on the Group. In addition to product cost the Group has identified Energy, Transport, Rent and Employee costs as key areas of concern. A working group that reports to the Board was set up in the prior year which reviewed the impact of inflation and is continuing to look at process improvement and innovation to drive efficiencies.

Cost of Living

Certain sectors that the Group operates in are affected by the increased cost of living, particularly beverage in the leisure sector. However, the Group generally supplies infrastructure to its customers and does not supply directly to consumers and it also has fixed elements in its pricing structure so these results in the Group being less sensitive to consumer volumes.

Supply Chain Risk

The primary supply chain risks identified this year have been the management of products containing Russian material and Red Sea Disruption. Through engagement with the supply chain and the robust management of product data, appropriate actions have been taken to reduce disruption and ensure compliance. The Group has adopted a proactive approach to supply chain risk using the extensive data it holds to mitigate the impact to its customers and therefore financial outcome.

Foreign Exchange

The Group is exposed to foreign exchange risk due to lending to the wider group of the ultimate parent in USD, Euro, and SGD. To reduce risk where possible future cash flows in foreign currencies are fixed with cash flow hedges.

The Group continued to use external finance during the year. The GBP Revolving Credit Facility is from a consortium loan arrangement. The arrangement is guaranteed by the parent company, TVS Supply Chain Solutions Limited, incorporated in India. A security agreement has been in place since 27 March 2020. The risk on the facilities is limited to adverse movements in SONIA which is monitored closely by management.

Directors' statement of compliance with duty to promote the success of the group

This statement describes how the Directors' have approached the responsibilities under s172(1)(a) to (f) of the Companies Act 2006 for the year ended 31 March 2025.

The main stakeholders of the business include employees, customers, suppliers, shareholders and external lenders.

The Directors' consider that they have acted in good faith to promote the success of the Group on behalf of its stakeholders, in relation to the matters set out in s172 of the Companies Act 2006.

The Directors' monitor and review strategic objectives, against long term growth plans. Regular reviews are held across key business areas, including financial performance, risks and opportunities, health and safety, human resources and operations. The performance of the Group is reviewed regularly at department and board meetings. Decisions are made with thought of likely consequences and all impacts on the business in the long term.

The core principle of the Group is ensuring transparent conduct which reflects fairness in all dealings with employees, customers and suppliers. A testament to this, is reflected in the length of service of our employees and management team.

The Group has a policy of equal opportunities in all aspects of employment. Employees are kept informed of matters of concern to them in a variety of ways, including newsletters, email updates, meetings and verbal communication to staff. These communications help to achieve a common awareness among employees regarding the performance of the Group. The Directors' understand that it is critical to engage with employees to understand their views and ensure that their interests are considered. There are consultations between management and employees on matters of concern, which evolve to meet the changing needs of the business. The policy of the Group is to consult and discuss matters with employees and to resolve any problems in accordance with relevant procedures and legislation. The consultation includes employee engagement surveys and focus groups.

The Group is committed to an equal opportunities policy in respect of all stakeholders. The Group endeavours to ensure that all stakeholders receive the same standard of service and disabled employees or potential employees are afforded the same treatment and opportunities as other employees or potential employees.

Our customers and suppliers are fundamental to the success of the Group. It is imperative that the Group maintains its reputation of delivering high quality services and products. The Group is committed to establishing and managing a sustainable supply chain that can efficiently and consistently provide the goods and services required, whilst working with our suppliers and sub-contractors to support and manage the impacts of the 4 pillars of sustainability: social, economic, culture, environment. The Group adhere to their sustainability charter to ensure we commit to working with a supply chain that is fair and ethical, legally compliant and delivers best overall value whilst considering the environment and impacts on society. Further to this, the Group follows the CIPS (Chartered Institute of Procurement and Supply) certification which implements ethical purchasing through the supply chain.

With a diverse range of experience and knowledge covering a wide range of sectors, the Procurement team within the Group are focused on developing and maintaining close working relationships with the supply base to ensure that the Group is a client of choice to suppliers. With the use of a formal supplier relationship management process (SRM) the Group can identify strategic suppliers and where to allocate resource and focus to attain our high standards.

The Group strives to continually improve and strengthen brand and offering for the mutual benefit of all stakeholders. This is communicated through the Group and has a growing digital presence with all our latest news available on the Group's website https://www.tvsscs.com and LinkedIn. The Directors' take environmental matters into consideration as part of the decision-making process, in order to minimise the impact on the environment where possible. Further detail of how this is monitored is explained in the Directors' report.

The Directors' intentions are to behave responsibly towards all stakeholders and to treat them fairly and equally, to ensure that they all benefit from the success of the Group.

Directors' statement of compliance with duty to promote the success of the group *(Continued)*

All employees sign up to the Group's code of conduct with regular training driven by the Directors. The Group applies the UKAS accredited ISO certification framework. This helps achieve continued improvements and includes the following management systems: Environmental, Quality, Information Security, Occupational health and safety and Business continuity. The Directors have a key focus on ethical behaviour and have a whistleblowing channel set up via internal systems.

The Directors' have overall responsibility for determining the purpose, values and strategy of the Group and for ensuring high standards of governance. The primary aim of the Directors' is to promote the long-term sustainable success of the Group, thus generating value for all stakeholders. Regular reporting to the Ultimate Parent of the Group, TVS Supply Chain Solutions Limited (incorporated in India) is undertaken with regards to Group's performance and contribution to the wider Group. The Group closely monitor decisions made and the Directors also participate in meetings with management of the Ultimate Parent. Key decisions made in the year included:

Key decisions during the year	Impact assessment on stakeholders
Social Value	This was the second year of recording our Social Value impact using Thrive software and the Group has exceeded all expectations by generating an impressive £1,404,000 of wealth (2024: £750,000), back into the U.K. economy. This monetised figure comes from the impact on society from the activity carried out by the Group in relation to corporate and contract social value and relates to the five key themes and policy outcomes from the government Social Value Model. By capturing the fiscal, economic, wellbeing, environmental, and social impact, and reporting this activity against proxy values created by the Impact Evaluation Standard, the Group is able to provide a tangible figure, known as welfare economics. Activities include the Health and Wellbeing committee supporting the introduction of mental health first aid training for colleagues, providing monthly webinars to promote positive mental health in the workforce, as well as physical activities such as the May Walking Challenge. In addition, the Group regularly support the VCSE sector, (voluntary, community, and social enterprise), with fund raising activity for charitable organisations which provide support for conditions such as Motor Neuron Disease and Crohn's, as well as veterans' charities and the local youth zone. Furthermore, the Group is committed to the circular economy by working with the supply chain to reduce waste and look for innovative solutions to reducing water and energy use, as well as creating resilient communities by providing apprenticeships and training opportunities for colleagues.
Increased Health & Wellbeing awareness	We believe that our employees are our most valuable asset, therefore by investing in the wellbeing of our employees, we not only enhance their individual performance and job satisfaction but also look to foster a stronger, more resilient organisation as a whole. We have a dedicated Health and Wellbeing Committee, which promotes wellbeing & healthy living initiatives within our organisation, the Group has seen a 10% increase in members in the last year. The Group look to explore a wide range of topics and collaborate with external organisations, in the last year we have supported our employees with several webinars on topics such as Stress Awareness, Female Health & Menopause, Heartfulness Meditation sessions and many more. We have continued our partnership with Hey Girls, with period products being provided across all of the Group's sites and each sale being matched as a complete donation going to vulnerable groups of people. As well as supporting our employee's wellbeing, it also supports our social value goals. The number of Mental Health First Aiders has grown, of which they work closely with our Health and Wellbeing Committee to support our employee's mental health and wellbeing.

	Our EAP continues to support our employees with counselling services, nutritional workshops, smoking cessation programs and financial advice. This year we were also awarded the Investors in People (IIP) accreditation, we believe this achievement reflects our dedication to nurture and empower our employees to reach their full potential, which is essential to their overall wellbeing.
Bids for new contracts only where values align	All new contracts won are an important part of the Group's growth and the Directors have taken consideration that new customer values align with the Group's value to prevent / minimise any impact on the stakeholders.

The Directors' will continue to review and improve engagement with all stakeholders.

On behalf of the Board

P Roberts
Director

Logistics House, Buckshaw Avenue
Chorley, Lancashire, PR6 7AJ

12 September 2025

Group Directors' report

The Directors present their Directors' report and audited financial statements of TVS Logistics Investment UK Limited (the "Group") for the year ended 31 March 2025. TVS Logistics Investment UK Limited is a private company limited by shares and incorporated and domiciled in the UK.

Principal activities

The principal activities of the Group during the year were the provision of outsourced inventory management and logistics services to the automotive, utilities & smart metering, beverage, rail, industrial and defence sectors. The Group also engaged in the supply of technical services combined with storage and distribution to the IT and associated industries.

The principal activity of the Company is that of a holding company.

The results for the year and the financial position of the Group are as shown in the annexed financial statements.

Future Developments

The Group have brought in the "One TVS" initiative in FY26 in order to more closely align the trading entities of the Group and to better utilise the resources available alongside aiming to provide customers with a more complete product offering.

Dividends

Dividends of £nil *(2024: £nil)* were paid during the year. The Directors do not recommend the payment of a final dividend *(2024: £nil)*.

Directors

The Directors who held office during the year were as follows:
P J Roberts
A Jayaraman
R Bhagavathula (resigned 15 April 2025)
R Viswanathan
N Seshadri
V Ramani (appointed 15 April 2025)

No Directors' third-party indemnity provisions were in force during the year.

Going Concern

In determining whether the Group's annual financial statements can be prepared on a going concern basis, the Directors have considered the Group's business activities, together with the factors likely to affect its future development, performance and position. The review also includes the financial position of the Group and the wider Group (the Group of the Ultimate Parent), their cash flows, liquidity position and borrowing facilities. The key factors considered by the Directors were as follows:

- The implications of changes to the economic environment on the Group's revenues and profits. The Group and wider Group undertake monthly rolling forecasts for 18 months and a long-range plan for 5 years in addition to 13 weekly projections of cash flows. This allows the Group to target performance and identify areas of focus for management. These forecasts are robust, and the Group has a strong history of accurate forecasting. Stress tests, where the budgeted costs are flexed for the impact of inflation but revenue sees only 5% growth from financial year ending 31 March 2025 and increased working capital outlay relating to increased debtor days, shows that the Group has cash surplus with the lowest holding of cash at the quarterly payments of the external term loans in June, September, December and March; and
- Principal risks and uncertainties including winning of new business, retention of key staff, impact of inflation, the war in Ukraine, and foreign exchange; and
- The impact of the competitive environment within which the Group's businesses operates; and
- The potential actions that could be taken in the event that revenues are worse than expected, to ensure that operating profit and cash flows are protected.

The Ultimate Parent, TVS Supply Chain Solutions Limited incorporated in India, along with its subsidiaries entered into a new Facilities Agreement dated 11 March 2024 with a consortium of lenders. The revolving credit facility can be used by the subsidiaries to meet working capital requirements. As at 31 August 2025 TVS Supply Chain Solutions Limited is utilising £10,000,000, TVS Logistics Investment UK Limited is utilising £26,537,355 and TVS SCS IFM Logistics is utilising £27,545,925 of the available £91,455,000 revolving credit facility (2024: £91,528,500). There is a parental guarantee available for the repayment of the facility and therefore management do not foresee any impact to operations. Facility A and Facility B are due for renewal in March 2026. The Group is confident of getting facility B renewed. In the unlikely event of non-renewal, the Ultimate Parent has the ability and is willing to provide the necessary financial support to fund TVS Logistics Investment UK Limited and its subsidiaries up to a period of twelve months from the date of approval of these financial statements. In addition, the Ultimate Parent has confirmed that they will not require the repayment of the related inter group trading balances up to a period of twelve months from the date of approval of these financial statements.

The Directors have assessed the level of financial support available from the Ultimate Parent taking into account the Ultimate Parent's financial plan and cash flow forecast up to a period of twelve months from the date of approval of these financial statements and are satisfied that sufficient support is available to the Group.

Group Directors' report *(continued)*

The Directors confirm that, after due consideration they have a reasonable expectation that the Company and the Group have adequate resources to continue in business to at least 31 March 2026. Accordingly, the annual report and financial statements for the year ended 31 March 2025 have been prepared on the going concern basis.

Strategic report

The Company has chosen in accordance with Companies Act 2006, s. 414C (11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

Research and development

The Group engages in research and development activities relating to the development of IT systems. This enables the Group to improve cost efficiency and customer service offering.

Employees

The Group's policy is to involve employees by way of appropriate consultation and discussion with staff and recognised trade unions in matters likely to affect employees' interests. Information on matters of concern to employees is given through monthly team briefings, which seek to achieve common awareness on the part of all employees of the financial and economic factors affecting the Group's performance.

Modern Slavery

In November 2024 the Board approved the annual Modern Slavery Act Statement. This can be found at www.tvsscs.com. The Group is committed to following the highest ethical standards across many areas in its approach to business both internally and across its supply chain and has numerous policies in place including Dignity at work, Recruitment and selection process, Ethical Sourcing and Supplier Sustainability Charter.

Disabled persons

The Group's recruitment policy ensures fair and open recruitment practices which provide equal opportunity to secure employment within the Group – with reasonable adjustments if required. All necessary assistance with initial selection and training courses is given. Once employed, a career plan is developed to ensure suitable opportunities for each disabled person. Arrangements are made, where possible, for retraining/re-deploying employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Business Relationships

The directors are committed to fostering strong and collaborative relationships with the Group's key stakeholders, which include suppliers, customers, and other business partners. Engagement with these groups is essential to sustaining the Group's long-term success and delivering value across the supply chain.

Political donations

The Group did not make any political donations or incur any political expenditure during the year (*2024: £nil)*.

Charitable donations

The Group made charitable donations amounting to £5,000 during the year (*2024: £*4,824).

Streamlined Energy and Carbon Reporting Framework Regulations

The Group recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by the Group's activities. Initiatives designed to minimise the Group's impact on the environment include improving our energy efficiency, reducing the amount of CO2 emissions by switching from conventional to renewable energy sources, minimising the consumption of water and the production of waste (both hazardous and non-hazardous) and by working to minimise unnecessary travel. In the Financial Year ended 2024 TVS offset 600 tonnes of carbon through a variety of certified tree planting schemes, offshore wind investment, and peat bog restoration projects in Brazil, Indonesia, Mongolia, Burkina Faso, Egypt and Turkey. The Group is certificated to ISO14001 which requires it to maintain an environmental management system with continuous improvement as a key objective.

Annual Energy Consumption and Greenhouse emissions

The Group has considered the annual Energy consumption and Greenhouse emissions for Utilities, Vehicles, Waste and Consumables. We have obtained the energy consumption for each category considered and used the DEFRA conversion provided by the government to calculate Greenhouse emissions. Utilities suppliers report energy consumption data. Vehicles is calculated by using fuel card data for consumption of fuel. The Group replaced its diesel pool car fleet with plug-in electric/hybrid vehicles in July 2024. Emissions are considered for passenger vehicles, Vans & HGVs using each vehicle's specification. Waste and Consumables (mainly packaging) information is provided directly from the supplier. Considerable work has been carried out over the last 12-24 months to improve reporting methods on purchased consumables across all sites. Significant investment has continued to be made in returnable and reusable packaging in the last financial year.

Group Directors' report *(continued)*

The electricity utilisation and associated CO2 emissions are expected to continue reducing in financial year 2025 following the implementation of Solar panels.

	2025	2024
UK emissions from	**Tonnes CO2**	Tonnes CO2
Scope 1 (Direct)	**307**	405
Scope 2 (Energy Indirect)	**853**	910
Scope 3 (Other Indirect)	**640**	705
Sub-Total	**1,800**	2,020
Offset projects	**-**	(600)
Total	**1,800**	1,420

UK energy consumed	**kWh**	kWh
Electricity	**4,207,502**	4,391,138
Gas combustion	**1,674,199**	2,037,086
Fuel consumption	**962,111**	729,033

The above emission data includes UK entities within the Group.

Energy efficiency action taken

Energy consumption and Greenhouse emissions are considered as part of the Group's sustainability. An ESOS review was performed during the year from which recommendations have been implemented, including the standardisation and rewiring of lighting.

Financial instruments

The Group's principal financial instruments during the year comprised cash, bank loans and various non-derivative financial instruments such as trade debtors and trade creditors that arise directly from its operations.

It is and has been throughout the year under review, the Group's policy that no trading in financial instruments be undertaken.

The Group uses financial instruments to manage financial and commercial risk wherever it is appropriate to do so. The main risks arising from the Group's financial instruments are interest rate risk, currency risk, liquidity/cash flow risk and credit risk.

Interest rate risk
The Group finances its operations by a mixture of retained profits and bank borrowings. Interest rate risk therefore arises on the bank borrowings and intercompany loans in foreign currency.

Currency risk
The Group, hedges against currency risk for loans in foreign currencies. The external borrowing in USD has been fully repaid in the prior year and no further hedging has been undertaken. Net lending to the wider Group in foreign currency amounted to US$5,093,000 SG$ nil and Euro nil (2024: $5,535,000).

Liquidity risk/cash flow risk
During the year, the Group's policy was to ensure short term flexibility through bank loan funding.

Credit risk
Credit risk arises from the possibility of customers and counterparties failing to meet their obligations to the Group. Debtor balances are monitored on an ongoing basis and provision is made for doubtful debts. At the reporting date, debtors which are not impaired are believed to be recoverable.

Group Directors' report *(continued)*

Statement of Directors' responsibilities in respect of the strategic report, the Directors' report and the financial statements

The Directors are responsible for preparing the Annual Report, Strategic Report, the Directors' Report and the Group and Parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law they have elected to prepare the Group financial statements in accordance UK adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 and applicable law and have elected to prepare the Parent Company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *'Reduced Disclosure Framework*.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of their profit or loss for that period. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the group financial statements, state whether they have been prepared in accordance with UK adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006;
- for the parent company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and Parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Disclosure of information to auditor

The Directors who held office on the date of approval of these financial statements confirm that, as far as they are each aware, there is no relevant audit information of which the auditor is unaware; and each Director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Subsequent events

SPC (UK) Limited, a wholly owned subsidiary of SCS IFM Limited, have declared a dividend of £3,145,000 on 1 April 2025. This dividend was in specie to clear the loan balance and interest accrued outstanding at 31 March 2025 and no cash consideration was paid.

Auditor

PBG Associates Limited were appointed as auditor in accordance with section 485 of the Companies Act 2006. A resolution proposing that they will be re-appointed will be put at a General Meeting.

The report was approved by the board on 12 September 2025 and signed on its behalf:

P Roberts
Director

Logistics House, Buckshaw Avenue
Chorley, Lancashire, PR6 7AJ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TVS LOGISTICS INVESTMENT UK LIMITED

Opinion

We have audited the financial statements of TVS Logistics Investment UK Limited ('the parent company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Profit and Loss and Other Comprehensive Income, Consolidated Balance Sheet, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement, Company Balance Sheet, Company Statement of Changes in Equity and the related notes, including material accounting policy information. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted International Accounting Standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the group's and of the parent company's affairs as at 31 March 2025 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with UK adopted International Accounting Standards as applied in accordance with section 408 of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The financial statements of previous year were audited by another auditor who expressed an unmodified opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern up to a period of twelve months from the date of approval of these financial statements.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TVS LOGISTICS INVESTMENT UK LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.
We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

-We obtained a general understanding of the legal and regulatory frameworks that are applicable to the company and determined that there are no significant laws and regulations except for company's legislation and the financial reporting framework (UK adopted international financial standards and Companies Act 2006). We obtained a general understanding of how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance matters of the Company.

The Groups principal activity was provision of outsourced inventory management and logistics services to the automotive, utilities & smart metering, beverage, rail, industrial and defence sectors. The group is also engaged in the supply of technical services combined with storage and distribution to the IT and associated industries. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.

Enquiries with the management concerning any actual or potential litigation or claims; inspection of relevant legal correspondence if any; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Devender Arora FCA (Senior Statutory Auditor)
for and on behalf of PBG Associates Limited
Chartered Accountants and Statutory Auditors
65 Delamere Road
Hayes, Middlesex
UB4 0NN

Date:

Consolidated Statement of Profit and Loss and Other Comprehensive Income

for year ended 31 March 2025

	Note	**2025**	2024
		£000	£000
Continued Operations			
Group revenue	*2*	**401,456**	388,475
Expenses			
Purchases	*3*	**(121,725)**	(124,194)
Change in inventory	*3*	**(648)**	1,642
Employee expenses	*5*	**(107,456)**	(105,655)
Other expenses	*4*	**(157,306)**	(152,101)
Operating profit before depreciation, and net financing		**14,321**	8,167
Depreciation and amortisation	*10, 11, 12*	**(13,493)**	(12,370)
Net finance expense	*7*	**(8,580)**	(13,001)
(Loss) before taxation from continuing operations		**(7,752)**	(17,204)
Taxation (charge) / credit	*8*	**699**	(2,153)
(Loss) for the year from continuing operations		**(7,053)**	(19,357)
Discontinued Operations			
(Loss) after tax for the year from discontinued operations	*9*	**-**	(6,866)
(Loss) for the year		**(7,053)**	(26,223)
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		**(287)**	(552)
Effective portion of profit/(loss) on hedging instrument in cashflow hedge	*14*	**(59)**	59
Other Comprehensive loss for the year, net of income tax		**(346)**	(493)
Total comprehensive loss for the year		**(7,399)**	(26,716)
(Loss) attributable to:			
Equity holders of the parent		**(7,140)**	(26,179)
Non-controlling interest	*13*	**87**	(44)
(Loss) for the year		**(7,053)**	(26,223)
Total comprehensive (loss)/income attributable to:			
Equity holders of the parent		**(7,449)**	(26,814)
Non-controlling interest	*13*	**50**	98
Total comprehensive loss for the year		**(7,399)**	(26,716)

Consolidated Balance Sheet

at 31 March 2025

	Note	2025 £000	2024 £000
Non-current assets			
Property, plant and equipment	10	**11,495**	11,643
Intangible assets	12	**24,857**	24,984
Right of use assets	11	**32,565**	37,997
Other investments	13	**49,304**	35,557
Trade and other receivables	17	**1,652**	560
Deferred tax assets	15	**4,429**	3,817
		124,302	114,558
Current assets			
Inventories	16	**26,062**	26,710
Trade and other receivables	17	**82,140**	78,302
Other current assets	17	**9,424**	30,772
Current tax asset		**174**	-
Cash and cash equivalents	18	**16,624**	21,337
		134,424	157,121
Total assets		**258,726**	271,679
Current liabilities			
Borrowings	20	**77,834**	80,065
Lease liability	19	**8,647**	8,842
Trade and other payables	21	**66,680**	64,699
Provisions	22	**16**	40
Tax payable		**-**	97
		153,177	153,743
Non-current liabilities			
Borrowings	20	**39,484**	43,942
Provisions	22	**1,622**	1,398
Derivatives	25	**-**	86
Deferred tax liabilities	15	**1,132**	1,613
		42,238	47,039
Total liabilities		**195,415**	200,782
Net assets		**63,311**	70,897

Consolidated Balance Sheet *(continued)*
at 31 March 2025

	Note	**2025** **£000**	2024 £000
Equity attributable to equity holders of the parent			
Share capital	23	**9,964**	9,964
Share premium		**66,507**	66,507
Capital redemption reserve		**1,218**	1,405
Retained earnings		**(13,234)**	(6,094)
Exchange difference reserve		**(2,422)**	(2,185)
Effective portion of cash flow hedge reserve		**-**	59
		62,033	69,656
Non-controlling interest	13	**1,278**	1,241
Total equity		**63,311**	70,897

These financial statements were approved by the board of Directors on 12 September 2025 and were signed on its behalf by:

P Roberts
Director

Company registered number: 07003943

Consolidated Statement of Changes in Equity

	Share Capital £000	Share Premium £000	Capital redemption reserve £000	Retained earnings £000	Exchange difference reserve £000	Effective portion of cash flow hedge reserve £000	Total Parent equity £000	Non-controlling interest £000	Total Equity £000
Balance at 1 April 2023	**6,196**	**-**	**1,405**	**20,196**	**(1,649)**	**(509)**	**25,639**	**599**	**26,238**
Total comprehensive income for the period									
Profit or loss	-	-	-	(26,179)	-	509	(25,670)	(44)	(25,714)
Other comprehensive income	-	-	-	-	(536)	59	(477)	(16)	(493)
Total comprehensive income for the period	-	-	-	(26,179)	(536)	568	(26,147)	(60)	(26,207)
Share Issue	3,768	66,507	-	-	-	-	70,275	-	70,275
Transfer between reserves	-	-	-	14	-	-	14	(30)	(16)
Dividends	-	-	-	-	-	-	-	-	-
Disposal of NCI	-	-	-	(125)	-	-	(125)	732	607
Total transactions with owners	3,768	66,507	-	(111)	-	-	70,164	702	70,866
Balance at 31 March 2024	**9,964**	**66,507**	**1,405**	**(6,094)**	**(2,185)**	**59**	**69,656**	**1,241**	**70,897**

	Share Capital £000	Share Premium £000	Capital redemption reserve £000	Retained earnings £000	Exchange difference reserve £000	Effective portion of cash flow hedge reserve £000	Total Parent equity £000	Non-controlling interest £000	Total Equity £000
Balance at 1 April 2024	**9,964**	**66,507**	**1,405**	**(6,094)**	**(2,185)**	**59**	**69,656**	**1,241**	**70,897**
Total comprehensive income for the period									
Profit or loss	-	-	-	(7,140)	-	-	(7,140)	87	(7,053)
Other comprehensive income	-	-	-	-	(237)	(59)	(296)	(50)	(346)
Total comprehensive income for the period	-	-	-	(7,140)	(237)	(59)	(7,449)	37	(7,399)
Purchase of trade and assets of wholly owned subsidiary	-	-	(187)	-	-	-	(187)	-	(187)
Total transactions with owners	-	-	(187)	-	-	-	(187)	-	(187)
Balance at 31 March 2025	**9,964**	**66,507**	**1,218**	**(13,234)**	**(2,422)**	**-**	**62,033**	**1,278**	**63,311**

Consolidated Cash Flow Statement
for year ended 31 March 2025

	Note	**2025**	2024
		£000	£000
Cash flows from operating activities			
(Loss) for the year from continuing operations		**(7,752)**	(17,204)
(Loss) for the year from discontinued operations		**-**	(6,866)
Adjustments for:			
Depreciation of tangible & ROU assets	*10/11*	**11,798**	11,991
Amortisation of intangible fixed assets	*12*	**1,695**	1,340
Foreign exchange difference	*7*	**1,719**	1,876
Financial income	*7*	**(2,611)**	(3,444)
Financial expense	*7*	**9,472**	14,569
Loss on disposal of discontinued operations		**-**	3,710
(Profit)/Loss on disposal of property, plant and equipment	*4*	**-**	8
Loss on termination of lease contracts	*4*	**(51)**	-
Provision for doubtful debts	*25(b)*	**319**	(322)
Provision for dilapidations	*22*	**200**	(148)
Financial expense on discontinued operations		**-**	226
		14,789	5,736
Decrease/(increase) in trade and other receivables	*17*	**(5,249)**	15,361
(Increase) in inventories	*16*	**648**	(1,642)
Increase in trade and other payables	*21*	**1,982**	1,112
		12,170	14,831
Interest paid		**(6,275)**	(9,030)
Tax refund / (paid)		**(773)**	18
Net cash from operating activities		**5,122**	11,555
Cash flows from investing activities			
Interest received		**1,552**	1,276
Acquisition of subsidiary, net of cash acquired	*13*	**-**	(5,000)
Acquisition of property, plant and equipment	*10*	**(2,836)**	(3,775)
Acquisition of intangibles	*12*	**(2,431)**	(1,015)
Acquisition of other investments	*13*	**(13,747)**	(26,833)
Net proceeds from sale of investments	*9*	**-**	299
Proceeds from sale of property, plant and equipment	*10*	**-**	27
Net cash from investing activities		**(17,462)**	(35,021)
Cash flows from financing activities			
Proceeds from issue of shares and other equity securities	*23*	**-**	70,275
Net proceeds from new borrowings	*20*	**9,776**	57,761
Net proceeds from receipt of lending	*20*	**20,804**	
Repayment of borrowings		**(11,406)**	(116,040)
Repayment of lease liability	*20*	**(11,982)**	(7,568)
Repayment of finance leases	*20*	**-**	(482)
Net cash from financing activities		**7,192**	3,946
Net (decrease) in cash and cash equivalents		**(4,603)**	(19,520)
Effect of exchange rate fluctuations		**434**	(1,549)
Cash and cash equivalents at 1 April	*18*	**21,337**	42,406
Cash and cash equivalents at 31 March	*18*	**16,624**	21,337

Notes to the Consolidated Financial Statements

(forming part of the financial statements)

1 Accounting policies

TVS Logistics Investment UK Limited ("the Company") is a limited company domiciled and incorporated in England. The address of the Company's registered office and place of business is Logistics House, Buckshaw Avenue, Chorley, Lancashire, PR6 7AJ.

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group") and equity account the Group's interest in associates and Joint Ventures. The Parent Company financial statements present information about the Company as a separate entity and not about its Group.

The Group financial statements have been prepared and approved by the Directors in accordance with UK adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006. The Company has elected to prepare its parent company financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The presentation currency of these financial statements is sterling. All monetary amounts in the financial statements have been rounded to the nearest £1,000.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements. The Group presents an additional disclosure of any restatement to prior period financial statements due to the impact of new accounting standards.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 27.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: financial instruments classified as fair value through the profit or loss.

1.2 Going concern

In determining whether the Group's annual financial statements can be prepared on a going concern basis, the Directors have considered the Group's business activities, together with the factors likely to affect its future development, performance and position. The review also includes the financial position of the Group and the wider Group (the Group of the Ultimate Parent), their cash flows, liquidity position and borrowing facilities. The key factors considered by the Directors were as follows:

- The implications of changes to the economic environment on the Group's revenues and profits. The Group and wider Group undertake monthly rolling forecasts for 18 months and a long-range plan for 5 years in addition to 13 weekly projections of cash flows. This allows the Group to target performance and identify areas of focus for management. These forecasts are robust, and the Group has a strong history of accurate forecasting. Stress tests, where the budgeted costs are flexed for the impact of inflation but revenue sees only 5% growth from financial year ending 31 March 2026 and increased working capital outlay relating to increased debtor days, shows that the Group has cash surplus with the lowest holding of cash at the quarterly payments of the external term loans in June, September, December and March, and does not require any additional support from the wider Group; and
- Principal risks and uncertainties including winning of new business, retention of key staff, impact of inflation, Cost of living, Supply chain risk, and foreign exchange; and
- The impact of the competitive environment within which the Group's businesses operates; and
- The potential actions that could be taken in the event that revenues are worse than expected, to ensure that operating profit and cash flows are protected.

The Ultimate Parent, TVS Supply Chain Solutions Limited incorporated in India, along with its subsidiaries entered into a new Facilities Agreement dated 11 March 2024 with a consortium of lenders. The revolving credit facility can be used by the subsidiaries to meet working capital requirements. As at 31 August 2025 TVS Supply Chain Solutions Limited is utilising £10,000,000, TVS Logistics Investment UK Limited is utilising £26,537,355 and TVS SCS IFM Logistics is utilising £27,545,925 of the available £91,455,000 revolving credit facility (2024: £91,528,500). There is a parental guarantee available for the repayment of the facility and therefore management do not foresee any impact to operations. Facility A and Facility B are due for renewal in March 2026. The Group is confident of getting facility B renewed. In the unlikely event of non-renewal, the Ultimate Parent has the ability and is willing to provide the necessary financial support to fund TVS Logistics Investment UK Limited and its subsidiaries up to a period of twelve months from the date of approval of these financial statements. In addition, the Ultimate Parent has confirmed that they will not require the repayment of the related inter group trading balances up to a period of twelve months from the date of approval of these financial statements.

The Directors have assessed the level of financial support available from the Ultimate Parent taking into account the Ultimate Parent's financial plan and cash flow forecast up to a period of twelve months from the date of approval of these financial statements and are satisfied that sufficient support is available to the Group.

The Directors confirm that, after due consideration they have a reasonable expectation that the Company and the Group have adequate resources to continue in business to at least 31 March 2026. Accordingly, the annual report and financial statements for the year ended 31 March 2025 have been prepared on the going concern basis.

Notes to the Consolidated Financial Statements *(continued)*

1 Accounting policies *(continued)*

1.3 Basis of consolidation

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. In assessing control, the Group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity.

Application of the equity method to associates and joint ventures

Associates and joint ventures are accounted for using the equity method (equity accounted investees) and are initially recognised at cost. The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Group's share of the total comprehensive income and equity movements of equity accounted investees, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of an investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1.4 Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement except for differences arising on the retranslation of a financial liability designated as a hedge of the net investment in a foreign operation that is effective. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the year end reporting exchange rate as this is not considered to be materially different to the rate at the date of the transaction.

The assets and liabilities of foreign operations are translated to the Group's presentational currency, GBP, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from this translation of foreign operations are reported as an item of other comprehensive income and accumulated in the profit and loss reserve or non-controlling interest, as the case may be.

1.5 Classification of financial instruments issued by the Group

Following the adoption of IFRS9, financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and

(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Notes to the Consolidated Financial Statements *(continued)*

1 Accounting policies *(continued)*

1.6 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short term deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Borrowings

Borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

1.7 Hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. These are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured 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.

Cash flow hedges are recognised when hedging the exposure to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements. A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

• There is 'an economic relationship' between the hedged item and the hedging instrument.

• The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.

• The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Cash flow hedges that meet the qualifying criteria for hedge accounting are accounted for with 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 or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

Notes to the Consolidated Financial Statements *(continued)*

1 Accounting policies *(continued)*

1.8 Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Leases in which the Group assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Where land and buildings are held under leases the accounting treatment of the land is considered separately from that of the buildings. Leased assets acquired by way of finance lease are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described below.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

- Freehold buildings 30 years
- Leasehold improvements Lower of useful life or lease term
- Plant and equipment 3 – 10 years
- Fixtures, fittings, tools & equipment 1 – 10 years
- Motor vehicles 3 – 4 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

1.9 Business combinations

Subject to the transitional relief in IFRS 1, all business combinations are accounted for by applying the acquisition method. Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

Acquisitions and disposals of non-controlling interests

Acquisitions and disposals of non-controlling interests that do not result in a change of control are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. Any difference between the price paid or received and the amount by which non-controlling interests are adjusted is recognised directly in equity and attributed to the owners of the parent.

1.10 Intangible assets and goodwill

Goodwill

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment in the investee.

Research and development

Expenditure on research activities is recognised in the income statement as an expense as incurred.

Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group intends to and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Group can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve a plan or design for the production of new or substantially improved products or processes.

Other intangible assets

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and accumulated impairment losses.

Artificial intelligence assets

Artificial intelligence assets which are developed by the Group are capitalised if the product or process is technically and commercially feasible and the Group intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Group can measure reliably the expenditure attributable to the artificial intelligence asset during its development

Notes to the Consolidated Financial Statements *(continued)*

1 Accounting policies *(continued)*

1.10 Intangible assets and goodwill (continued)

Amortisation

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Customer relationships 10 years
- Brands 10 years
- Computer Software 10 years
- Artificial Intelligence 2-3 years

1.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition.

1.12 Financial assets and liabilities

Financial assets are initially recognised at fair value plus, for financial assets not measured at fair value through profit or loss, transaction costs directly attributable to their acquisition.

Financial liabilities are initially recognised at fair value less transaction costs for liabilities not measured at fair value through profit or loss. Subsequent measurement is at amortised cost using the effective interest rate method, except for financial liabilities designated at FVTPL, which are measured at fair value with gains or losses recognised in profit or loss.

Financial assets are derecognised when the contractual rights to the cash flows expire or when substantially all risks and rewards are transferred. Financial liabilities are derecognised when the obligation is discharged, cancelled, or expired.

1.13 Impairment excluding inventories and deferred tax assets

Financial assets (including receivables)

Financial assets are assessed for indicators of credit losses at each reporting date. A financial asset is 'credit impaired' where there is objective evidence that, as a result of one of more events that occurred after initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

ECL's are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

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); or
- the financial asset is more than 90 days past due.

The Group has considered the credit risk on amounts owed from group undertakings and this is considered to be extremely low risk on the basis that there have been no recent credit losses on such balances. Therefore, the ECL model has not been applied to such balances.

Financial assets are derecognised only when the contractual rights to cash flows from the asset expire or are settled, or when the Group transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Notes to the Consolidated Financial Statements *(continued)*

1 Accounting policies *(continued)*

1.13 Impairment excluding inventories and deferred tax assets (continued)

Non-financial assets

The carrying amounts of 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. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Non-financial assets (continued)

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.14 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The Right of use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The lease term includes periods covered by an option to extend if the Group is reasonably certain to exercise that option.

In addition, the Right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Incremental borrowing rate is considered to be as follows based on the Group's current access to borrowing:

- All leases that are less than 5 years – 4.5% discount rate
- All leases that are more than 5 years – 7% discount rate

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.
The Group has elected to apply the practical expedient not to recognise Right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Notes to the Consolidated Financial Statements *(continued)*

1 Accounting policies *(continued)*

1.15 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

1.16 Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability. Dilapidation provisions relates to the estimated cost of returning a leasehold property to its original state at the end of the lease in accordance with the operating lease terms.

1.17 Revenue

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services to external customers in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax. Turnover is recognised once goods have been despatched or services provided and is representative of the Group fulfilling its contractual performance obligations with regards to activities performed under each contractual arrangement.

Contracts contain various performance obligations, for which each distinctive performance obligation is separately identified. At inception, consideration is assigned to each performance obligation on the basis of the stand-alone selling price. Contracts include both variable and fixed consideration which the Group invoices on a monthly basis after assessing the delivery of each performance obligation. Any contingent consideration is recognised when it is highly probable the Group will receive the consideration and the value can be reliably measured.

1.18 Expenses

Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Financing income and expenses

Financing expenses comprise interest payable and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions. Financing incomes comprise interest receivable on funds invested.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

1.19 Discontinued operations

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 or Loss.

Additional disclosures are provided in note 10 'Discontinued operations'. All other notes to the Financial Statements include amounts for continuing operations, unless indicated otherwise.

1.20 Share based payments

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

Notes to the Consolidated Financial Statements (continued)

1 Accounting policies *(continued)*

1.20 Share based payments (continued)

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.

1.21 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

The Group has adopted the amendments to IAS 12 for the first time in the current year. The IASB amends the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes, management have taken this exemption.

1.22 Changes to IFRS

The following amendments became effective for the Group as at 1 April 2024:

- Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendment to IFRS 17)
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

The amendments had no impact on the Group's consolidated financial statements.

1.23 Adopted IFRS not yet applied

The following Adopted IFRSs have been issued but have not been applied by the Group in these financial statements. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated:

- Lack of Exchangeability (Amendments to IAS 21)
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9)
- Annual Improvements to IFRS Accounting Standards (Amendments to IFRS 1, 7, 9, 10 and IAS 7)
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)
- Amendments to IFRS 18 on the presentation and disclosure in Financial Statements
- Amendments to IFRS 19 Subsidiaries without Public Accountability

Notes to the Consolidated Financial Statements *(continued)*

2 Revenue and analysis by geographical market

	2025	2024
	£000	£000
Sale of goods	**129,112**	138,365
Rendering of services	**272,344**	250,110
Total revenues	**401,456**	388,475

	2025	2024
	£000	£000
United Kingdom	**305,819**	293,113
Rest of World	**95,637**	95,362
Total revenues	**401,456**	388,475

3 Purchases and changes in inventory

	2025	2024
	£000	£000
Inventory at 1 April	**26,710**	25,068
Add: Purchases	**121,725**	124,194
Less Inventory at 31 March	**(26,062)**	(26,710)
Cost of Revenue	**122,373**	122,552

	2025	2024
	£000	£000
Inventory at 1 April	**26,710**	25,068
Inventory of materials at 31 March	**(26,062)**	(26,710)
Changes in inventory	**648**	(1,642)

Notes to the Consolidated Financial Statements *(continued)*

4 Other expenses and auditors' remuneration

Included in profit/loss are the following:

	2025	2024
	£000	£000
Loss/ (Gain) on sale of property, plant and equipment	**-**	8
Loss / (Gain) on termination of lease contracts	**(51)**	-

Auditor's remuneration

	2025	2024
	£000	£000
Audit of these financial statements	**43**	93
Amounts receivable by the Company's auditor and its associates in respect of:		
Audit of financial statements of subsidiaries of the Company	**63**	224

5 Staff numbers and costs

The average number of persons employed by the Group (including executive directors) during the year, analysed by category, was as follows:

	2025	2024
	No.	No.
Selling and distribution	**2,046**	2,304
Administration	**625**	669
	2,671	2,973

The aggregate payroll costs of these persons were as follows:

	2025	2024
	£000	£000
Wages and salaries	**94,071**	92,705
Social security	**10,905**	10,335
Other pension costs	**2,480**	2,550
Expense arising from equity-settled share-based payment transactions	**-**	65
	107,456	105,655

The Group operates a number of defined contribution pension plans. The total expense relating to these plans in the current year was £2,550,000 (2024: £2,106,000)

Notes to the Consolidated Financial Statements *(continued)*

6 Remuneration of directors

	2025	2024
	£000	£000
Directors' emoluments	**305**	457
Groups contributions to a money purchase pension scheme	**38**	17
	343	474

The aggregate of emoluments of the highest paid director was £204,000 (2024: £349,000), and Groups pension contributions of £31,000 (2024: £10,000) were made to a money purchase scheme on their behalf.

Certain directors who served during the year are also directors of the Ultimate Parent Company or a fellow Group Company and are remunerated by those companies. Although they do receive remuneration in respect of their services to various Group companies, including this Company, it is not practicable to allocate their remuneration to individual companies in the Group. Therefore, their remuneration has been disclosed in the accounts of the relevant company from which remuneration is received.

	2025	2024
	No.	No.
Directors for which contributions accrued under:		
Money purchase schemes	**2**	2

7 Net finance expense

	2025	2024
	£000	£000
Interest receivable from related parties	**(1,552)**	(3,284)
Other interest receivable	**(1,059)**	(160)
Foreign exchange movements	**1,719**	1,876
Interest payable on bank loans	**4,299**	5,141
Interest payable on lease liabilities	**3,197**	3,167
Interest payable to related parties	**1,440**	4,826
Other interest payable	**536**	1,435
Net finance expense	**8,580**	13,001

Notes to the Consolidated Financial Statements *(continued)*

8 Taxation

Recognised in the income statement

	2025	2024
	£000	£000
Current tax expense:		
Current year tax on profits	**398**	637
Adjustments for prior years	**-**	252
Total tax expense	**398**	889
Deferred tax expense:		
Origination and reversal of temporary differences	**(1097)**	1,264
Deferred tax (credit) / expense	**(1097)**	1,264
Total tax (credit) / expense	**(699)**	2,153

Reconciliation of tax

	2025	2024
	£000	£000
(Loss) for the year	**(7,053)**	(26,223)
Total tax expense / (credit)	**(699)**	2,153
(Loss) excluding taxation	**(7,752)**	(24,070)
Tax using the UK corporation tax rate of 25%	**(1,938)**	(6,018)
Non-deductible expenses	**194**	1,519
Profits chargeable at higher rates	**(291)**	64
Adjustments to tax charge in respect of previous periods	**267**	252
Adjustment to tax charge in respect of previous periods – deferred tax	**(578)**	762
Current year losses for which no deferred tax was recognised	**1,731**	5,796
Other differences	**(84)**	(222)
Total tax expense / (credit)	**(699)**	2,153

Factors affecting future tax changes

The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes. Furthermore, the Group has reviewed its corporate structure in light of the introduction of Pillar Two Model Rules in various jurisdictions. Since the Group's effective tax rate is well above 15% in all jurisdictions in which it operates, it has determined that it is not subject to Pillar Two "top-up" taxes. Therefore, the consolidated financial statements do not include information required by paragraphs 88A-88D of IAS 12.

Notes to the Consolidated Financial Statements *(continued)*

9 Discontinued operations

On the 29th September 2023 Circle Express Limited was sold by the group for £2,100,000. The performance of Circle Express has been classified as discontinued on the face of the Profit and Loss and Other Comprehensive Income statement and the net assets disposed of from the Balance sheet. The Group made a loss of £3,710,000 on the disposal of Circle Express Limited.

	2025 £'000	**2024 £'000**
Revenue	-	10,555
Expenses		
Cost of sales	-	(6,643)
Employee expenses	-	(3,184)
Administration costs	-	(2,698)
Operating (loss) / profit before depreciation, and net financing	-	(1,970)
Depreciation and amortisation	-	(960)
Net finance expense	-	(226)
(Loss) before taxation	-	(3,156)
Taxation credit / (charge)	-	-
(Loss) for the year	-	(3,156)

The following major classes of assets and liabilities were held on the 29th September 2023:

	Note	**2025 £'000**	2024 £'000
Property, plant and equipment	*10*	-	5,815
Trade and other receivables		-	6,035
Cash and cash equivalents		-	1,801
Total Assets		-	13,651
Borrowings		-	6,693
Trade and other payables		-	2,855
Other financial liabilities		-	365
Total Liabilities		-	9,913
Net assets directly associated with disposal		-	3,738
Goodwill	*13*	-	2,072
Proceeds	*14*	-	(2,100)
Loss on disposal		-	(3,710)
Loss on discontinued operations		-	(6,866)

Notes to the Consolidated Financial Statements *(continued)*

9 Discontinued operations *(continued)*

		2025 £'000	2024 £'000
Impact on Consolidated Cash Flow Statement			
Cash flows from operating activities	Loss on discontinued operations	-	3,710
Cash flows from financing activities	Finance costs	-	226
Cash flows from investing activities	Proceeds from sale of investments	-	2,100
	Retained cash balance in Circle Express	-	(1,801)
Net Proceeds from sale of investments		-	299

Notes to the Consolidated Financial Statements *(continued)*

10 Property, plant and equipment

Group	Freehold land and buildings £000	Leasehold Improve-ments £000	Plant and machinery £000	Fixtures, fittings, tools and equipme-nt £000	Vehicles £000	Contin-ued Operati-ons Total £000	Discont-inued operati-ons £000	Total £000
Cost								
At 1 April 2023	614	3,791	3,808	16,978	822	26,013	3,342	29,355
Additions	-	1,007	962	1,800	-	3,769	6	3,775
Disposals	-	(35)	-	-	-	(35)	(3,348)	(3,383)
Exchange differences on translation	-	(1)	(15)	(7)	(1)	(24)	-	(24)
Reclassification	-	-	-	(354)	-	(354)	-	(354)
Balance at 31 March 2024	**614**	**4,762**	**4,755**	**18,417**	**821**	**29,369**	**-**	**29,369**
Additions	24	378	654	1,763	17	2,836	-	2,836
Disposals	-	-	(201)	(95)	(27)	(323)	-	(323)
Exchange differences on translation	-	(2)	(28)	(44)	(2)	(76)	-	(76)
Balance at 31 March 2025	**638**	**5,138**	**5,180**	**20,041**	**809**	**31,806**	**-**	**31,806**
Depreciation and impairment								
At 1 April 2023	330	882	2,044	11,833	428	15,517	2,523	18,040
Depreciation charge for the year	25	230	498	1,496	90	2,339	227	2,566
Disposals	-	(9)	-	-	(2)	(11)	(2,750)	(2,761)
Exchange differences on translation	-	-	19	(18)	(1)	-	-	-
Reclassification	-	-	-	(119)	-	(119)	-	(119)
Balance at 31 March 2024	**355**	**1,103**	**2,561**	**13,192**	**515**	**17,726**	**-**	**17,726**
Depreciation charge for the year	25	340	521	1,992	100	2,978	-	2,978
Disposals	-	-	(23)	(74)	(22)	(119)	-	(119)
Exchange differences on translation	-	(1)	(16)	(255)	(2)	(274)	-	(274)
Reclassification	-	-	-	-	-	-	-	-
Balance at 31 March 2025	**380**	**1,442**	**3,043**	**14,855**	**591**	**20,311**	**-**	**20,311**
Net book value At 31 March 2024	259	3,659	2,194	5,225	306	11,643	-	11,643
At 31 March 2025	**258**	**3,696**	**2,137**	**5,186**	**218**	**11,495**	**-**	**11,495**

Notes to the Consolidated Financial Statements *(continued)*

11 Right of use assets

The Group has lease contracts for various items of plant, machinery, vehicles, and other equipment used in its operations. Leases of plant and machinery generally have lease terms between 3 and 15 years, while motor vehicles and other equipment generally have lease terms between 3 and 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios.

The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of Right of use assets recognised and the movements during the period:

	Land & buildings £000	Plant and machinery £000	Motor vehicles £000	Continued Operations Total £000	Discontinued Operations £000	Total £000
Cost						
At 1 April 2023	62,833	3,372	382	66,587	15,901	82,488
Additions	13,314	145	127	13,586	-	13,586
Modifications	-	-	-	-	-	-
Disposals	-	-	-	-	(15,901)	(15,901)
Exchange differences on translation	(158)	(10)	(6)	(174)	-	(174)
Balance at 31 March 2024	**75,989**	**3,507**	**503**	**79,999**	**-**	**79,999**
Additions	3,610	388	373	4,370	-	4,370
Disposals	(1,807)	(176)	-	(1,983)	-	(1,983)
Exchange differences on translation	212	21	8	241	-	241
Balance at 31 March 2025	**78,004**	**3,740**	**884**	**82,627**	**-**	**82,627**
Accumulated depreciation						
At 1 April 2023	31,310	2,285	276	33,871	9,950	43,821
Charge for the year	8,397	206	88	8,691	734	9,425
Disposals	(547)	-	-	(547)	(10,684)	(11,231)
Exchange differences on translation	(8)	(3)	(2)	(13)	-	(13)
Balance at 31 March 2024	**39,152**	**2,488**	**362**	**42,002**	**-**	**42,002**
Charge for the year	8,115	511	194	8,820	-	8,820
Disposals	(732)	-	-	(732)	-	(732)
Exchange differences on translation	(22)	(5)	-	(28)	-	(28)
Balance at 31 March 2025	**46,513**	**2,994**	**556**	**50,062**	**-**	**50,062**
Net book value						
At 31 March 2024	**36,837**	**1,019**	**141**	**37,997**	**-**	**37,997**
At 31 March 2025	**31,491**	**746**	**328**	**32,565**	**-**	**32,565**

Notes to the Consolidated Financial Statements *(continued)*

12 Intangible assets

	Goodwill £000	Customer Relationships £000	Brands £000	Computer Software £000	Intangible Assets under Development £000	Total £000
Cost						
Balance at 31 March 2023	19,190	7,653	1,324	4,126	2,114	34,407
Additions	-	-	-	55	960	1,015
Disposals	(2,072)	-	-	-	-	(2,072)
Reclassification	-	-	-	2,584	(2,230)	354
Balance at 31 March 2024	**17,118**	**7,653**	**1,324**	**6,765**	**844**	**33,704**
Additions	-	-	-	1,752	679	2,431
Disposals	(187)	-	-	-	-	(187)
Reclassification	-	-	-	-	(676)	(676)
Balance at 31 March 2025	**16,931**	**7,653**	**1,324**	**8,517**	**847**	**35,272**
Amortisation and impairment						
Balance at 31 March 2023	-	4,017	633	2,611	-	7,261
Amortisation for the year	-	753	123	464	-	1,340
Reclassification	-	-	-	119	-	119
Balance at 31 March 2024	**-**	**4,770**	**756**	**3,194**	**-**	**8,720**
Amortisation for the year	-	753	123	819	-	1,695
Disposals	-	-	-	-	-	-
Balance at 31 March 2025	**-**	**5,523**	**879**	**4,013**	**-**	**10,415**
Net book value						
At 31 March 2024	**17,118**	**2,883**	**568**	**3,571**	**844**	**24,984**
At 31 March 2025	**16,931**	**2,130**	**445**	**4,504**	**847**	**24,857**

Goodwill considered significant in comparison to the Group's total carrying amount of such assets have been allocated to the IFM Group cash generating unit. The recoverable amount of the IFM Group has been calculated with reference to its value in use. The key assumptions of this calculation are shown below:

	2025	2024
Period on which management approved forecasts are based	**5 years**	5 years
Growth rate applied beyond approved forecast period	**2%**	5%
Gross Margin growth forecast	**5.1%**	1.27%
Discount rate	**13.0%**	13.6%

The Directors have determined that the value in use of the CGU is in excess of its carrying amount. The Group has conducted sensitivity analysis on the impairment testing and as such do not consider that any reasonably possible change in a key assumption would cause the CGU's carrying amount to exceed its recoverable amount.

During the prior period, the group has disposed of a subsidiary, Circle Express Limited, and the corresponding Goodwill balance has been disposed of. Full details of the disposal can be found in note 9.

Notes to the Consolidated Financial Statements *(continued)*

13 Investments

Investments in subsidiaries and associates

The Group and Company has the following investments in subsidiaries and associates:

Name of subsidiary/associate	Country	Registered office address	Class of shares held	Ownership
TVS Supply Chain Solutions Limited	England	Logistics House, Buckshaw Avenue, Chorley, Lancashire, PR6 7AJ	Ordinary shares	100%
TVS Supply Chain Solutions GmbH	Germany	Im Rollfeld 30, 76532, Baden-Baden, Germany	Ordinary shares	100%
TVS Logistics Iberia SLU	Spain	Av. Ports d'Europa, 52-60, Z.A.L., 08040, Barcelona, Spain	Ordinary shares	100%
TVS Autoserv GmbH	Germany	Im Rollfeld 30, 76532, Baden-Baden, Germany	Ordinary shares	51%
* Peter Thomas & Co (Refurbishing) Limited	England	Logistics House, Buckshaw Avenue, Chorley, Lancashire, PR6 7AJ	Ordinary shares	100%
TVS SCS IFM Limited	England	Unit 4 Kennet House, Langley Quay, Waterside Drive, Slough, Berkshire, SL3 6EY	Ordinary shares	100%
* SPC International Limited	England	Unit 4 Kennet House, Langley Quay, Waterside Drive, Slough, Berkshire, SL3 6EY	Ordinary shares	100%
* Tri-Tec Computer Support Limited	Northern Ireland	Unit 5/7, Coastal Warehouse, 83 Dargan Road, Belfast, BT3 9JU, Northern Ireland	Ordinary shares	100%
* Ricochet Spain	Spain	C/Islandia, 10 28821 Coslada, Madrid, Spain	Ordinary shares	100%
* Tri-Tec Support Limited	Ireland	Unit 10B Airways Industrial Estate, Santry, Dublin 9, Ireland	Ordinary shares	100%
* Rico Logistique France	France	Unit A1-B2, Batiment 14, Z.I Garonor, 93600 Aulnay Sous Bios, Paris, France	Ordinary shares	100%
* TVS SCS Rico Italia	Italy	TVS SCS Rico Italia SRL A Socio Unico, Viale Papiniano 22/B, 20123 Milan (Italy)	Ordinary shares	100%
* Rico Logistics Pty Limited	Australia	Unit 2, Block V Regents Park Ind Est 391 Park Road, NSW 2143, Australia	Ordinary shares	100%
* SPC International SRO	Slovakia	Obchodná 15 (4915), 921 01 Piešťany, Slovakia	Ordinary shares	100%
* SPC International Inc	USA	4777 Aviation Parkway Suite H, Atlanta, GA 30349	Ordinary shares	100%
* SPC EBT Trustees Limited	England	1st Floor, Beasley Court, 3 Warwick Place, Uxbridge, Middlesex, UK, UB8 1PE	Ordinary shares	100%
* SPC International (Engineering) Limited	England	1st Floor, Beasley Court, 3 Warwick Place, Uxbridge, Middlesex, UK, UB8 1PE	Ordinary shares	100%
* Eltec IT Services SLU	Spain	19, Marie Curie Street. Rivas Vaciamadrid. 28521 Madrid	Ordinary shares	100%
* Pitcomp 171 Limited	England	1st Floor, Beasley Court, 3 Warwick Place, Uxbridge, Middlesex, UK, UB8 1PE	Ordinary shares	100%
* Triage Holdings Limited	England	Unit 4 Kennet House Langley Quay, Waterside Drive, Slough, Berkshire, SL3 6EY	Ordinary shares	100%
* Triage Services Limited	England	Unit 4 Kennet House, Langley Quay, Waterside Drive, Slough, Berkshire, SL3 6EY	Ordinary shares	100%
*Orderlogic Limited	England	Unit 4 Kennet House, Langley Quay, Waterside Drive, Slough, Berkshire, SL3 6EY	Ordinary shares	100%

* Indirect holding

Notes to the Consolidated Financial Statements *(continued)*

13 Investments *(continued)*

Other investments

	2025 £'000	2024 £'000
Carrying amount at 31 March 2024	**35,557**	8,724
Acquisition of shares	**13,747**	26,833
Carrying amount at 31 March 2025	**49,304**	35,557

During the year TVS Logistics Investments Limited acquired 5,109,491 shares in TVS Supply Chain Solutions PTE LTD for consideration of S$23,503,662 (£13,747,640). The total shares held in TVS Supply Chain Solutions PTE LTD at 31 March 2025 was 17,441,123 (2024: 12,319,267). TVS Supply Chain Solutions PTE LTD is a subsidiary of the Ultimate Parent Company, TVS Supply Chain Solutions Limited, incorporated in India.

Non-Controlling Interests

	Carrying amount at 31 March 2024	Profit/(loss) for the year attributable to NCI	OCI for the year attributable to NCI	Retranslation	Acquisition of NCI	Disposal	Carrying amount at 31 March 2025
TVS Autoserv GmbH	**1,241**	87	-	(50)	-	-	**1,278**
	1,241	87	-	(50)	-	-	**1,278**

	Carrying amount at 31 March 2023	Profit/(loss) for the year attributable to NCI	OCI for the year attributable to NCI	Retranslation	Acquisition of NCI	Disposal	Carrying amount at 31 March 2024
Circle Express Limited	(545)	(157)	-	-	-	702	**-**
TVS Autoserv GmbH	**1,144**	113	-	(16)	-	-	**1,241**
	1,144	44	-	(16)	-	-	**1,241**

TVS IFM Limited
During the prior year (29th September 2023) the Group sold the 95% of shares in respect of Circle Express Limited for consideration of £2,100,000. The carrying value of the NCI was (£702,000).

Notes to the Consolidated Financial Statements *(continued)*

13 Investments *(continued)*

The following table summarises the information relating to each of the Group's subsidiaries with material Non-Controlling Interests, before intra-group eliminations.

Autoserv GmbH Limited	**2025 £000**	**2024 £000**
NCI percentage	**49%**	**49%**
Non-current assets	**3,283**	1,772
Current assets	**5,418**	4,604
Non-current liabilities	**(2,046)**	(1,163)
Current liabilities	**(4,048)**	(2,709)
Net assets (100%)	**2,607**	2,504
Carrying amount of NCI	**1,278**	1,227
Revenue	**11,056**	10,155
Profit	**177**	232
OCI	**(102)**	(33)
Total comprehensive income	**75**	199
Profit allocated to NCI	**87**	113
OCI allocated to NCI	**(50)**	(16)

14 Derivative financial instruments

Derivative financial liabilities	**2025 £000**	**2024 £000**
Derivatives designated as hedging instruments:		
Cash flow hedge	**-**	86
Total derivatives designated as hedging instruments	**-**	86
Total derivative financial liabilities	**-**	86

Cash flow hedge

During FY22 the Group entered a Cash flow hedge to mitigate risk for the payment of a loan given by a company in USD ($22,071,434). The Group has fixed its exposure in USD by fixing the exchange rate at 1.3546 for the repayment of borrowing. The loan has been repaid in full in March 2025.

During the prior year a hedging arrangement taken out in December 2021 to mitigate risk for the repayment of external borrowings held in USD ($17,700,000) was settled in full. The Group had fixed its exposure in USD by fixing the exchange rate at 1.2257 for the repayment of borrowing. These were due to be repaid in quarterly instalments from 19 March 2023 to 19 March 2025. The first instalment of $885,000 was paid in March 2023 with the final settlement due March 2025, however this was settled in full November 2023.

For both hedges there is an economic relationship between the hedged item and the hedging instrument as the terms of the cash flow hedge match the terms of the external borrowing to be repaid (i.e. notional amount, maturity, payment and reset dates). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the cash flow hedge is identical to the hedged risk component. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instrument against the changes in fair value of the hedged item attributable to the hedged risk.

Notes to the Consolidated Financial Statements (continued)

14 Derivative financial instruments *(continued)*

The effects of the cash flow hedge relationship are as follows at 31 March:

	2025	2024
	£000	£000
Carrying amount of derivatives included in Non-Current Liabilities	**-**	86
Change in fair value of designated hedging instrument	**-**	(258)
Change in fair value of designated hedge item	**-**	199
Effective portion of Cash Flow Hedge Reserve for the year	**-**	(59)
Hedge reserve balance at 1 April	**(59)**	(509)
Effective portion of Cash Flow Hedge Reserve	**-**	(59)
Transfer to Profit and Loss	**59**	509
Hedge reserve balance at 31 March	**-**	(59)

Hedge taken December 2021:	
Notional amount (GBP)	13,718
Notional amount (USD)	USD 16,815
Maturity date	Quarterly from 19 March 2023 – 19 March 2025
Hedge ratio	1:1

Notes to the Consolidated Financial Statements *(continued)*

15 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		**Liabilities**	
	2025	2024	**2025**	2024
	£000	£000	**£000**	£000
Property, plant and equipment	**751**	430	**796**	-
Right of use asset and liability	**(1,899)**	(2,100)	**-**	-
Undistributed profits	**-**	-	**336**	850
Carried forward tax losses	**(3,253)**	(2,146)	**-**	-
Provisions and temporary differences	**(28)**	(1)	**-**	763
Tax (assets) / liabilities	**(4,429)**	(3,817)	**1,132**	1,613
Net tax (assets)			**(3,297)**	(2,204)

Movement in deferred tax during the year

	1 April 2024	**Recognised in income**	**Recognised in equity**	**Currency translation adjustment**	**31 March 2025**
	£000	**£000**	**£000**	**£000**	**£000**
Property, plant and equipment	**430**	1,117	-	-	**1,547**
Right of use asset and liability	**(2,100)**	201	-	-	**(1,899)**
Undistributed profits	**850**	(518)	-	4	**520**
Carried forward tax losses	**(2,146)**	(1,107)	-	-	**(3,253)**
Provisions and temporary differences	**762**	(790)	-	-	**(28)**
	(2,204)	(1,097)	-	4	**(3,297)**

Movement in deferred tax during the prior year

	1 April 2023	**Recognised in income**	**Recognised in equity**	**Currency translation adjustment**	**31 March 2024**
	£000	**£000**	**£000**	**£000**	**£000**
Property, plant and equipment	149	281	-	-	430
Right of use asset and liability	(2,257)	157	-	-	(2,100)
Undistributed profits	980	(130)	-	-	850
Carried forward tax losses	(2,271)	125	-	-	(2,146)
Provisions and temporary differences	(69)	831	-	-	762
	(3,468)	1,264	-	-	(2,204)

Notes to the Consolidated Financial Statements *(continued)*

16 Inventories

	2025	2024
	£000	£000
Finished goods	**26,062**	26,710
	26,062	26,710

The write-down of inventories to net realisable value amounted to £197,000 (2024: £172,000).

17 Trade and other current assets

	2025	**2024**
	£000	**£000**
Trade receivables	**51,169**	53,240
Other receivables	**6,672**	4,056
Prepayments and accrued income	**25,951**	21,566
	83,792	78,862
Amounts owed by group undertakings	**9,424**	30,772
	93,216	109,634
Current	**91,564**	109,074
Non-current	**1,652**	560

The Directors consider that the carrying amounts of trade and other debtors above approximates to their fair values hence no further fair value disclosure is made. Further details regarding the ageing profile and movements in trade receivable provisions are made in note 25*(b)*.

Loans to related parties classified under trade and other receivable in previous year has been reclassified under loans given to related parties in the current year for better presentation

18 Cash and cash equivalents and bank overdrafts

	2025	**2024**
	£000	**£000**
Cash and cash equivalents per balance sheet	**16,624**	21,337
Cash and cash equivalents per cash flow statement	**16,624**	21,337

Notes to the Consolidated Financial Statements *(continued)*

19 Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2025 £000	2024 £000
Balance at the beginning of the year	**54,045**	55,341
Additions	**5,767**	13,586
Interest charge for the year	**3,197**	3,550
Payments made during the year	**(11,982)**	(11,585)
Disposals	**(1,526)**	(6,674)
Foreign exchange on retranslation	**127**	(173)
Balance at the end of the year	**49,628**	54,045
Current	**8,647**	8,842
Non-Current	**39,484**	43,942
Dilapidations	**1,497**	1,261

The following are the amounts recognised in profit or loss:

	2025 £000	2024 £000
Depreciation expense of Right of use assets	**8,820**	9,425
Interest charged on lease liability	**3,197**	3,550
Total amount recognised in the profit or loss	**12,017**	12,975

Due to the nature of the leases, there is potential that the Group has lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (see Note 27).

Set out below are the undiscounted potential future rental payments:

	2025 £000	2024 £000
Within 1 year	**12,143**	11,737
Within 2-5 years	**30,049**	30,597
More than 5 years	**21,034**	25,962
Total payments	**63,226**	68,296

Notes to the Consolidated Financial Statements *(continued)*

20 Borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate and foreign currency risk, see note 25.

	2025 £000	2024 £000
Non-current liabilities		
Lease liabilities	**39,484**	43,942
	39,484	43,942
Current liabilities		
Current portion of secured bank loans	**65,014**	57,761
Borrowings from related parties	**12,820**	22,304
	77,834	80,065
Lease liabilities	**8,647**	8,842
	86,481	88,907

Covenants

As per the facility agreement with the Banks, the Group is subject to a number of financial covenants in relation to its borrowing which, if breached, would result in its loans becoming immediately repayable.

Terms and debt repayment schedule – current year facilities

Group loan facility

The Group entered a new facilities agreement on 11 March 2024. The facility consists of a Revolving Credit Facility. The facility is drawn down by TVS Logistics Investment UK Limited, TVS Supply Chain Solutions Limited and Rico Logistics and lent to Group companies as required.

Revolving Credit Facility (RCF): GBP RCF from the consortium loan arrangement (DBS Bank, Barclays Bank, Export-Import Bank of India, IndusInd Bank, Axis Bank and Yes Bank) availed by TVS Logistics Investments UK Limited and its subsidiaries is secured by a charge on its other assets and is also secured by a parental guarantee provided by TVS Supply Chain Solutions Limited, incorporated in India. The facility borrowings bear a variable interest rate of 2.25% + 1 month SONIA for facility A and 1.75%. + 1 month SONIA for facility B.

The revolving credit facility is repayable by March 2026 and the credit facility is expected to be renewed by the entity once it is expired.

The Secured bank loans are net of transaction costs released over the life of the loan. The total loan repayable at the year-end was £65,014,000 (2024: £57,761,000) of which £65,014,000 (2024: £57,506,000) is classified within current liabilities and £nil (2024: £nil) is classified within non-current liabilities.

Borrowings from related parties

The loans with related parties have no fixed repayment terms, there is no security held and the interest rate is set at 7.31%

Notes to the Consolidated Financial Statements *(continued)*

20 Borrowings *(continued)*

Reconciliation of movements of liabilities to cash flows arising from financing activities.

	As at 31 March 2024 £000	Cash outflows £000	Cash inflows £000	Non Cash movements £000	**As at 31 March 2025 £000**
Short term borrowings	**80,065**	(11,406)	9,776	(601)	**77,834**
Intercompany loans	**(30,772)**	(3,333)	24,137	544	**(9,424)**
Leases liabilities	**52,784**	(11,982)	-	7,329	**48,131**
	102,077	(26,721)	33,913	7,272	**116,541**

The Group classifies interest paid as cashflows from operating activities, which is disclosed on the face of the cashflow statement. Included within non-cash movements is the effect of reclassification of non-current and current borrowings.

21 Trade and other payables

	2025 £000	**2024 £000**
Trade payables	**32,914**	34,982
Other taxes and social security	**3,688**	4,428
Other creditors	**1,732**	2,303
Accruals and deferred income	**28,346**	22,986
Current	**66,680**	64,699
Non- Current	**-**	**-**

The Directors consider that the carrying amounts of trade and other payables above approximates to their fair values hence no further fair value disclosure is made.

Borrowings from related parties classified under trade and other payables in previous year has been reclassified under borrowings in the current year for better presentation

Notes to the Consolidated Financial Statements *(continued)*

22 Provisions

	Dilapidations provision £000
Balance at 1 April 2023	1,586
Provisions made during the year	-
Provisions used during the year	(148)
Provisions reversed during the year	-
Balance at 31 March 2024	**1,438**
Non-current	**1,398**
Current	**40**
Balance at 1 April 2024	1,438
Provisions made during the year	200
Provisions used during the year	-
Provisions reversed during the year	-
Balance at 31 March 2025	**1,638**
Non-current	**1,622**
Current	**16**

Notes to the Consolidated Financial Statements *(continued)*

23 Share Capital and reserves

a) Share Capital and reserves

	2025	2024
	£000	£000
Allotted, called up and fully paid		
9,964,204 Ordinary shares of £1 each	**9,964**	9,964
Capital redemption reserve	**1,218**	1,405
Share premium reserve	**66,507**	66,507

Share capital – Ordinary shares of £1 each

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

Capital redemption reserve

The nominal value of shares repurchased and still held at the end of the reporting period.

Share premium reserve

The premium received above the nominal value of shares issued and held at the end of the reporting period.

Dividends

The following dividends were recognised during the period: £nil (2024: £nil) per qualifying ordinary share

b) Share based payments

The Company does not provide any share-based compensation to its employees.

However, The Ultimate Parent (TVS Supply Chain Solutions Limited India) has a reward scheme, the Management Incentive Plan (MIP), whereby share options are granted to the management team which entitles them to purchase equity shares in the Ultimate Parent at a discounted price.

Grants made under the scheme are subject to the condition that the grantee remains employed by the Group from the time of the grant to the end of the vesting period.

Each share option converts into one ordinary share of the Ultimate Parent on exercise at an exercise price of 95 INR (Face value 100 INR) which is payable by the employee.

The vesting period is subject to a minimum vesting period of 1 year from the grant date but no later than 31 March 2026.

The options carry neither rights to dividends 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 years ended 31 March 2025 and 31 March 2024 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,

Notes to the Consolidated Financial Statements *(continued)*

23b) Share based payments *(continued)*

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 into the model:		**MIP I**	**MIP I**	**MIP II – Pool A & Pool B**	**MIP II**
Grant date		20-Nov-18	08-Feb-22	20-Nov-18	08-Feb-22
Grant date share price *	INR (₹)	96.40	127.70	96.40	127.70
	GBP (£)	1.06	1.32	1.06	1.32
Exercise price	INR (₹)	95.00	95.00	95.00	95.00
	GBP (£)	1.04	0.98	1.04	0.98
Expected volatility		32.00%	53.40%	33.10%	53.25%
Option life		2.36 years	1 year	3.61 years	1.39 years
Dividend yield		0.15%	0.00%	0.15%	0.00%
Risk free interest rate		7.28%	4.40%	7.50%	4.35%

* Before adjustment for lack of marketability

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year (excluding SARs):

MIP I	**2025 Number**	**2025 WAEP**	2024 Number	2024 WAEP
Outstanding 1 April	**1,463,534**	**95**	**2,565,510**	**95**
Granted during the year	**-**	**-**	**-**	**-**
Forfeited during the year	**(16,300)**	**95**	**(1,061,680)**	**95**
Exercised during the year	**(7,000)**	**-**	**(40,296)**	**-**
Outstanding 31 March	**1,440,234**	**95**	**1,463,534**	**95**
Exercisable 31 March	**1,440,234**	**95**	**1,463,534**	**95**

MIP II	**2025 Number**	**2025 WAEP**	**2024 Number**	**2024 WAEP**
Outstanding 1 April	**1,457,480**	**95**	**1,683,790**	**95**
Granted during the year	**-**	**-**	**-**	**-**
Lapsed during the year*	**-**	**-**	**-**	**-**
Forfeited during the year	**(35,260)**	**95**	**(226,310)**	**95**
Exercised during the year	**-**	**-**	**-**	**-**
Outstanding 31 March	**1,422,220**	**95**	**1,457,480**	**95**
Exercisable 31 March	**-**	**-**	**-**	**-**

* During the year ended March 31 2023 the Ultimate Parent has issued a modified MIP II scheme with modified vesting conditions and replaced with MIP II - Pool A & Pool 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 years (31 March 2023: 0.25 years).

Notes to the Consolidated Financial Statements *(continued)*

23b) Share based payments *(continued)*

The expense recognised for employee services received during the year is shown in the following table:

	2025	2024
	£'000	£'000
Expense arising from equity-settled share -based payment transactions	-	125
Total expense arising from share-based payment transactions	-	125

24 Commitments

Capital commitments

At 31 March 2025 the Group had not entered into any contractual obligations to purchase property, plant and equipment following the year end (2024: £nil).

25 Financial instruments

25 (a) Fair values of financial instruments

The fair values of all financial assets and financial liabilities by class together with their carrying amounts shown in the balance sheet are as follows:

Year ending 31 March 2025	Fair value through P&L £000	Amortised cost £000	Total £000
Financial assets at fair value	-	-	-
Financial assets not at fair value	-	128,173	128,173
Financial liabilities at fair value	-	-	-
Financial liabilities not at fair value	-	(158,877)	(158,877)
Total	**-**	**(28,108)**	**(28,108)**

Year ending 31 March 2024	Fair value through P&L £000	Amortised cost £000	Total £000
Financial assets at fair value	-	-	-
Financial assets not at fair value	-	142,893	142,893
Financial liabilities at fair value	(86)	-	(86)
Financial liabilities not at fair value	-	(167,831)	(167,831)
Total	**(86)**	**(24,938)**	**(25,024)**

Notes to the Consolidated Financial Statements *(continued)*

25 Financial instruments *(continued)*

25 (b) Credit risk

Financial risk management

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The carrying amount of financial assets represents the maximum credit risk exposure at the reporting date. Trade receivables and unbilled revenue, if any are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Group 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 uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors.

Trade receivables and loans

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from external customers. Credit risk has always been managed by the Group 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.

On account of adoption of IFRS9, the Group uses an expected credit loss model to assess the impairment loss or gain. The Group has used a simplified approach for its trade receivables and other receivables to compute loss allowance. 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.

No single customer accounted for more than 10% of the trade receivables as of 31 March 2025 and as such, there is no significant concentration of credit risk.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables and loans:

Year ending 31 March 2025

	Gross carrying amount £000	Weighted average loss rate	Loss allowance £000	Whether credit impaired £000	Net trade receivables £000
Not due	36,948	0.1%	42	-	36,906
Past due 1 – 90 days	7,349	0.8%	55	-	7,294
Past due 90 – 180 days	4,523	1.5%	67	-	4,456
Past due 181 – 365 days	1,156	11.91%	138	-	1,018
Past due more than 365 days	3,215	53.5%	1720	-	1,495
Total	**53,191**	**3.8%**	**2,022**	**-**	**51,169**

Year ending 31 March 2024

	Gross carrying amount £000	Weighted average loss rate	Loss allowance £000	Whether credit impaired £000	Net trade receivables £000
Not due	33,679	0.1%	27	-	33,652
Past due 1 – 90 days	7,955	2.3%	185	-	7,770
Past due 90 – 180 days	3,984	12.0%	478	-	3,506
Past due 181 – 365 days	6,700	2.4%	162	-	6,538
Past due more than 365 days	2,625	32.4%	851	-	1,774
Total	**54,943**	**3.1%**	**1,703**	**-**	**53,240**

Notes to the Consolidated Financial Statements *(continued)*

25 Financial instruments *(continued)*

25 (b) Credit risk (continued)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2025 £000	2024 £000
Balance at 1 April	**1,703**	2,025
Net measurement of loss allowance	**319**	(322)
Balance at 31 March	**2,022**	1,703

Cash and bank balances

The Group holds cash and bank balances of £16,623,000 at 31 March 2025 (31 March 2024: £21,337,000). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies.

Credit risk arises from cash and cash equivalents, deposits with banks and credit exposures to customers including outstanding receivables with dealers and advances given to vendors and investments. The carrying amounts of financial assets represent the maximum credit risk exposure.

25 (c) Liquidity risk

Financial risk management

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.

Notes to the Consolidated Financial Statements *(continued)*

25 Financial instruments *(continued)*

25 (c) Liquidity risk (continued)

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:

	2025						2024					
	Carrying amount £000	**Contract-ual cash flows £000**	**1 year or less £000**	**1 to <2years £000**	**2 to <5years £000**	**>5years £000**	**Carrying amount £000**	**Contract-ual cash flows £000**	**1 year or less £000**	**1 to <2years £000**	**2 to <5years £000**	**>5years £000**
Non-derivative financial liabilities												
Secured bank loans	**65,014**	65,014	65,014	--	--	-	**57,761**	57,761	57,761	--	--	-
Trade and other payables	**45,734**	45,734	45,734	-	-	-	**61,504**	61,504	61,504	-	-	-
	110,748	**110,748**	**110,748**	**---**	**--**	-	**119,265**	**119,265**	**119,265**	**---**	**--**	-

For the maturity of the lease liability refer to note 19.

25 (d) Market risk

Financial risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that can affect the Group's income or the value in its holdings of financial instruments

Whilst the Group does have some forward foreign exchange contracts in place, these are not considered material to the financial statements and hence no further disclosure is made. Furthermore the Group does not undertake hedge accounting as many of its transactions are made in a currency that is the functional currency of the related subsidiary entity and so there is a natural hedge present.

Notes to the Consolidated Financial Statements *(continued)*

25 Financial instruments *(continued)*

25 (d) Market risk

Foreign currency risk

The Group's exposure to foreign currency risk is as follows. This is based on the carrying amount for monetary financial instruments:

31 March 2025

	Sterling £000	Euro £000	US Dollar £000	Other £000	Total £000
Cash and cash equivalents	11,238	3,524	1,617	245	16,624
Trade and other receivables	13,537	36,116	161	1,355	51,169
Trade payables	(8,061)	(20,130)	(2,750)	(1,973)	(32,914)
Net exposure	**16,714**	**19,510**	**(972)**	**(373)**	**34,877**

31 March 2024

	Sterling £000	Euro £000	US Dollar £000	Other £000	Total £000
Cash and cash equivalents	16,365	2,804	2,006	162	21,337
Trade and other receivables	18,160	32,739	1,145	1,196	53,240
Trade payables	(9,028)	(23,088)	(1,183)	(1,683)	(34,982)
Net exposure	**25,497**	**12,455**	**1,968**	**(325)**	**39,595**

The Directors do not believe that the disclosure of forecast sales and purchase transactions are relevant to the understanding of the Group's exposure to currency risk.

Sensitivity analysis

A 1% percent weakening of the following currencies against the pound sterling at 31 March would have increased (decreased) equity and profit or loss by the amounts shown below. This calculation assumes that the change occurred at the balance sheet date and had been applied to risk exposures existing at that date.

This analysis has only been performed on Euro balances on the grounds of materiality and it assumes that all other variables, in particular other exchange rates and interest rates, remain constant. The analysis is performed on the same basis for 31 March 2024.

	Equity		Profit or loss	
	2025 £000	2024 £000	2025 £000	2024 £000
€	**195**	124	**195**	124

A 1% percent strengthening of the above currencies against the pound sterling at 31 March would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Notes to the Consolidated Financial Statements *(continued)*

25 Financial instruments *(continued)*

25 (d) Market risk (continued)

Interest rate risk

At the balance sheet date the interest rate profile of the Group's interest-bearing financial instruments was:

	2025	2024
	£000	£000
Fixed rate instruments		
Financial assets	**9,424**	27,501
Financial liabilities	**(12,820)**	(9,140)
	(3,396)	18,361
Variable rate instruments		
Financial liabilities	**(65,014)**	(57,761)
	(65,014)	(57,761)

Sensitivity analysis

A change of 100 basis points in interest rates at the balance sheet date would have increased (decreased) equity and profit or loss by the amounts shown below. This calculation assumes that the change occurred at the balance sheet date and had been applied to risk exposures existing at that date.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant and considers the effect of financial instruments with variable interest rates, financial instrument at fair value through profit or loss or available for sale with fixed interest rates and the fixed rate element of interest rate swaps. The analysis is performed on the same basis for 31 March 2024.

	2025	2024
	£000	£000
Equity	**650**	578
Increase	**(650)**	(578)
Decrease		
Profit or loss	**650**	578
Increase	**(650)**	(578)
Decrease	**650**	578

25 (e) Capital management

When managing capital (comprising components of equity), the Director's objective is to ensure the entity continues as a going concern as well as maintaining operational returns to shareholders and benefits other stakeholders whilst maintaining the lowest cost of capital available to the Group. The Directors may change the amounts of dividends paid to return capital to shareholders. The Group is not exposed to any externally imposed capital requirements.

Notes to the Consolidated Financial Statements *(continued)*

26 Related parties

Transactions with key management personnel

The compensation of key management personnel (including the directors) is as follows:

	2025	2024
	£000	£000
Key management remuneration including social security costs	**1,049**	1,600
Company contributions to money purchase pension schemes	**85**	45
	1,134	1,645

	Interest and trade income received from		**Administrative and interest expenses incurred from**	
	2025	**2024**	**2025**	**2024**
	£000	**£000**	**£000**	**£000**
Ultimate parent of the Group	**-**	-	**5,847**	10,808
Associates	**-**	-	**-**	-
Joint ventures	-	-	**-**	-
Other related parties	**2,411**	3,723	**1,418**	1,333
	2,411	3,723	**7,265**	12,141

	Receivables Outstanding		**Payables Outstanding**	
	2025	2024	**2025**	2024
	£000	£000	**£000**	£000
Ultimate parent of the Group	**-**	651	**3,582**	8,467
Associates	**-**	-	**-**	-
Joint ventures	**-**	-	**-**	-
Other related parties	**9,424**	30,121	**9,238**	22,820
	9,424	30,772	**12,820**	31,287

The Ultimate parent of the Group is defined in note 28 and Associates and Joint Ventures are defined in note 13.

Notes to the Consolidated Financial Statements *(continued)*

27 Accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed.

The Group evaluates the collectability of trade debtors and records provisions for doubtful debts based on experience including comparisons of the relative age of accounts and consideration of actual write-off history. The actual level of debt collected may differ from the estimated levels of recovery and could impact future operating results positively or negatively.

The Group's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the total tax charge necessarily involves a degree of estimation and judgement in respect of certain items. The final outcome of some of these items may give rise to profit and loss and/or cash flow variances.

Provisions have been made for dilapidations and stock. These provisions are estimates and the actual costs and timing of future cash flows are dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period when such determination is made.

Whilst a range of outcomes is reasonably possible, applying a tolerance level of 10% to the above estimates and judgments would result in a potential corresponding increase or decrease to equity and profit or loss of the following:

	2025	2024
	£000	£000
Provision for doubtful debts	**212**	**170**
Provision for taxes	**338**	**220**
Dilapidations provision	**162**	**143**

Changes to lease payments have been estimated where there is a percentage increase in the lease contracts. A best estimate is used for inflation based on historic trends in RPI. When actual lease payments are finalised the lease liability and ROU will be remeasured.

28 Ultimate Parent Company and ultimate controlling party

The Company is a subsidiary undertaking of TVS Supply Chain Solutions Limited, incorporated in India which is the Ultimate Parent Company and the ultimate controlling party. The smallest and largest group in which the results of the Company are consolidated is that headed by TVS Supply Chain Solutions Limited, 10, Jawahar Road, Chokkikulam, Madurai 625 002 India. The consolidated financial statements of these groups are available to the public from the Ministry of Corporate Affairs, India.

Company Statement of Profit and Loss and Other Comprehensive Income

for year ended 31 March 2025

	Note	**2025 £000**	2024 £000
Company revenue		**-**	-
Expenses			
Other expenses	*30*	**(659)**	(801)
Operating (loss) before depreciation, and net financing		**(659)**	(801)
Other income	*32*	**-**	43,910
Net finance expense	*31*	**(2,002)**	(7,390)
(Loss) / Profit before taxation		**(2,661)**	35,719
Taxation (charge)	*33*	**(101)**	(1,035)
(Loss) / Profit for the year		**(2,762)**	34,684
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		**-**	509
Effective portion of profit/(loss) on hedging instrument in cashflow hedge	*16*	**(59)**	59
Other Comprehensive income/(loss) for the year, net of income tax		**(59)**	568
Total comprehensive income/(loss) for the year		**(2,821)**	35,252

Company Balance Sheet
at 31 March 2025

	Note	**2025**		2024	
		£000	**£000**	£000	£000
Non-current assets					
Investments	34	**126,370**		110,441	
Debtors	35	**-**		-	
			126,370		110,441
Current assets					
Debtors	35	**25,111**		45,683	
Cash at bank and in hand		**2,220**		3,970	
		27,331		49,653	
Current liabilities					
Creditors: amounts falling due within one year	36	**(55,418)**		(58,904)	
Net current liabilities			**(28,087)**		(9,251)
Total assets less current liabilities			**98,283**		101,190
Creditors: amounts falling due after more than one year	38	**-**		(86)	
			-		(86)
Net assets / (liabilities)			**98,283**		101,104
Capital and reserves					
Called up share capital	39		**9,964**		9,964
Share premium	39		**66,507**		66,507
Capital redemption reserve			**1,405**		1,405
Profit and loss account			**20,407**		23,169
Effective portion of cash flow hedge reserve			**-**		59
Shareholders' funds			**98,283**		101,104

These financial statements were approved by the board of Directors on 12 September 2025 and were signed on its behalf by:

P Roberts
Director

Company registered number: 07003943

Company Statement of Changes in Equity

	Called up Share capital	Share Premium	Capital redemption reserves	Effective portion of cash flow hedge reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000	£000
Balance at 1 April 2023	**6,196**	**-**	**1,405**	**(509)**	**(11,515)**	**(4,423)**
Profit for the year	-	-	-	509	34,684	35,193
Other comprehensive income	-	-	-	59	-	59
Total comprehensive loss for the period	-	-	-	568	34,684	35,252
Transactions with owners, recorded directly in equity:						
Shares repurchase	3,768	66,507	-	-	-	70,275
			-			
Total contributions by and distributions to owners	3,768	66,507	-	-	-	70,275
Balance at 31 March 2024	**9,964**	**66,507**	**1,405**	**59**	**23,169**	**101,104**
Balance at 1 April 2024	**9,964**	**66,507**	**1,405**	**59**	**23,169**	**101,104**
Profit for the year	-	-	-	-	(2,762)	(2,762)
Other comprehensive income	-	-	-	(59)	-	(59)
Total comprehensive loss for the period	-	-	-	(59)	(2,762)	(2,821)
Balance at 31 March 2025	**9,964**	**66,507**	**1,405**	**-**	**20,407**	**98,283**

Company Cash Flow Statement
for year ended 31 March 2025

	Note	**2025**	2024
		£000	£000
Cash flows from operating activities			
Profit / (Loss) for the year		**(2,762)**	34,684
Adjustments for:			
Interest income	*31*	**(2,228)**	(6,623)
Interest expense	*31*	**4,281**	13,204
Exchange gain/loss on currency translation	*31*	**(51)**	809
Dividend income	*32*	**-**	(43,910)
Taxation		**101**	1,035
Operating (loss) before changes in operating assets and liabilities		**(659)**	(801)
Decrease/(increase) in trade and other receivables		**(449)**	20,059
Increase in trade and other payables		**2,484**	12,449
		1,376	31,707
Tax		**--**	--
Net cash from operating activities		**1,376**	31,707
Cash flows from investing activities			
Interest received		**1,300**	3,495
Payment of contingent consideration	*35*	**-**	(5,000)
Loans (given)/received to/from related parties	*35*	**11,050**	(15,503)
Investment in related parties	*34*	**(15,928)**	(51,833)
Dividends from subsidiaries		**-**	43,910
Net cash from investing activities		**(3,578)**	(24,931)
Cash flows from financing activities			
Proceeds from issue of shares and other equity securities	*39*	**-**	70,275
Proceeds from short term borrowings net	*37*	**2,776**	27,761
Repayment of long-term borrowings	*37*	**-**	(115,569)
Interest paid		**(2,311)**	(4,741)
Net cash from financing activities		**465**	(22,274)
Net (decrease) in cash and cash equivalents		**(1,737)**	(15,498)
Effect of exchange rate fluctuations		**(13)**	(1,050)
Cash and cash equivalents at 1 April		**3,970**	20,518
Cash and cash equivalents at 31 March		**2,220**	3,970

Notes to the Company's Financial Statements
(forming part of the financial statements)

29 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards in conformity with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 27.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures

- Certain disclosures relating to IAS 7 Cash Flow Statement and related notes;
- Certain disclosures relating to IFRS 15 regarding revenue;
- Disclosures relating to IAS 1 for comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures relating to IAS 24 in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- Disclosures under IAS 8 relating to the effects of new but not yet effective IFRSs;
- Disclosures of transactions with a management entity that provides key management personnel services to the Company; and
- Disclosures relating to IAS 24 in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of the Company include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IAS 36 *Impairment of assets* in respect of the impairment of goodwill
- Certain disclosures required by IFRS 3 *Business Combinations* in respect of business combinations undertaken by the Company in prior periods including the comparative period reconciliation for goodwill; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures.*
- Disclosures relating to IFRS 2 Share-based Payment as the arrangement relates to equity instruments in the ultimate parent entity

The Company proposes to continue to adopt the reduced disclosure framework of FRS101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis.

Notes to the Company's Financial Statements *(continued)*

29 Accounting policies *(continued)*

Going concern

In determining whether the Companies annual financial statements can be prepared on a going concern basis, the Directors have considered the Companies business activities, together with the factors likely to affect its future development, performance and position. The review also includes the financial position of the Group and the wider Group (the Group of the Ultimate Parent), their cash flows, liquidity position and borrowing facilities. The key factors considered by the Directors were as follows:

- The implications of changes to the economic environment on the Company's revenues and profits. The Company and wider Group undertakes monthly rolling forecasts for 18 months and a long-range plan for 5 years in addition to 13 weekly projections of cash flows. This allows the Company to target performance and identify areas of focus for management. These forecasts are robust and the Company has a strong history of accurate forecasting. Stress tests, where the budgeted costs are flexed for the impact of inflation but revenue sees only 5% growth from financial year ending 31 March 2025, along with increased debtor days increasing the working capital outlay, shows that the Company has cash surplus and does not require any additional support from the Group; and
- Principal risks and uncertainties including winning of new business, retention of key staff, impact of inflation, supply chain risk, and foreign exchange; and
- The impact of the competitive environment within which the Company's businesses operates; and
- The potential actions that could be taken in the event that revenues are worse than expected, to ensure that operating profit and cash flows are protected.

The Ultimate Parent, TVS Supply Chain Solutions limited incorporated in India, along with its subsidiaries entered into a new Facilities Agreement dated 11 March 2024 with a consortium of lenders. The revolving credit facility can be used by the subsidiaries to meet working capital requirements. As at 31 August 2025 TVS Supply Chain Solutions Limited is utilising £10,000,000, TVS Logistics Investment UK Limited is utilising £26,537,355 and TVS SCS IFM Logistics is utilising £27,545,925 of the available £91,455,000 revolving credit facility (2024: £91,528,500). There is a parental guarantee available for the repayment of the facility and therefore management do not foresee any impact to operations. Facility A and Facility B are due for renewal in March 2026. The Group is confident of getting both facility A & B renewed. In the unlikely event of non-renewal, the Ultimate Parent has the ability and is willing to provide the necessary financial support to fund TVS Logistics Investment UK Limited and its subsidiaries till December 2026. In addition, the Ultimate Parent has confirmed that they will not require the repayment of the related inter group trading balances during the going concern period to 31 March 2027.

The Directors have assessed the level of financial support available from the Ultimate Parent taking into account the Ultimate Parent's financial plan and cash flow forecast in the period to 31 March 2027 and are satisfied that sufficient support is available to the Group.

The Directors confirm that, after due consideration they have a reasonable expectation that the Company and the Group have adequate resources to continue in business to at least 31 March 2027. Accordingly, the annual report and financial statements for the year ended 31 March 2025 have been prepared on the going concern basis.

Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

Foreign exchange differences arising on translation are recognised in the profit and loss account

Classification of financial instruments issued by the Company

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Notes to the Company's Financial Statements *(continued)*

29 Accounting policies *(continued)*

Classification and subsequent measurement

Financial assets

Trade receivables, loans and other receivables that have fixed or determinable payments, and which are not quoted in an active market, are classified as 'loans and receivables'. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses ("ECL's").

Financial assets, other than those at fair value through profit and loss, are assessed for indicators of credit losses at each reporting date. A financial asset is 'credit impaired' where there is objective evidence that, as a result of one of more events that occurred after initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

ECL's are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Company has considered the credit risk on amounts owed from group undertakings and this is considered to be extremely low risk on the basis that there have been no recent credit losses on such balances. Therefore, the ECL model has not been applied to such balances.

Financial assets are derecognised only when the contractual rights to cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Basic financial liabilities, including trade, and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities, including borrowings, are initially measured at the transaction price, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.
Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

Notes to the Company's Financial Statements *(continued)*

29 Accounting policies *(continued)*

Impairment of non-financial assets excluding stocks and deferred tax assets

The carrying amounts of the Company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire entity into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

An impairment loss recognised for goodwill is not reversed. Impairment losses recognised for other assets are reversed only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed 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.

Expenses

Interest payable

Interest payable and similar charges, are recognised in the profit and loss account.

Interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, and associates to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the Company's Financial Statements *(continued)*

29 Accounting policies *(continued)*

Hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. These are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured 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.

Cash flow hedges are recognised when hedging the exposure to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements. A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

• There is 'an economic relationship' between the hedged item and the hedging instrument.

• The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.

• The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Cash flow hedges that meet the qualifying criteria for hedge accounting are accounted for with 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 or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

Investments in subsidiaries and other investments

Investments in subsidiaries are accounted for in the parent company's separate financial statements at cost less any impairment losses, in accordance with IAS 27 — Separate Financial Statements. Cost includes directly attributable acquisition costs. The carrying amount of investments is reviewed annually for indicators of impairment. Where such indicators exist, the investment is tested for impairment and any loss is recognised in profit or loss.

Investments in equity instruments are measured at fair value through profit or loss (FVTPL) or, where an irrevocable election is made, at fair value through other comprehensive income (FVOCI), in accordance with IFRS 9 — Financial Instruments. Transaction costs directly attributable to the acquisition of investments measured at FVTPL are expensed immediately, while those relating to investments measured at FVOCI are included in the initial measurement.

Investments measured at cost are assessed for impairment whenever there is an indication that the carrying amount may not be recoverable. Impairment losses are recognised in profit or loss. For investments measured at fair value, any decline in fair value is recognised according to their classification (profit or loss or other comprehensive income).

Notes to the Company's Financial Statements *(continued)*

30 Other expenses and auditors' remuneration

Included in profit/loss are the following:

Auditor's remuneration

	2025	2024
	£000	£000
Audit of these financial statements	**43**	93

31 Net finance expense

	2025	2024
	£000	£000
Interest receivable on loan to subsidiaries	**(2,110)**	(6,623)
Interest income from Bank	**(118)**	(187)
Foreign exchange movements	**(51)**	809
Interest payable	**3,919**	12,006
Amortisation of transaction cost on borrowing	**352**	320
Other borrowing costs	**10**	1,065
Net finance expense	**2,002**	7,390

32 Other income

	2025	2024
	£000	£000
Dividend received from subsidiary	**-**	43,910
Total dividends received	**-**	43,910

Notes to the Company's Financial Statements *(continued)*

33 Taxation

Recognised in the income statement

	2025	2024
	£000	£000
Current tax expense:		
Current year tax on profits	**101**	(1,236)
Total tax expense	**101**	(1,236)
Deferred tax expense:		
Origination and reversal of temporary differences	**-**	2,271
Deferred tax charge / (credit)	**-**	2,271
Total tax expense / (credit)	**101**	1,035

Reconciliation of tax

	2025	2024
	£000	£000
(Loss) / Profit for the year	**(2,762)**	34,684
Total tax expense / (credit)	**101**	1,035
(Loss) / Profit excluding taxation	**(2,661)**	35,719
Tax using the UK corporation tax rate of 25%	**(665)**	8,930
Non-deductible expenses	**150**	446
Income not subject to tax	**-**	(10,977)
Adjustment to tax charge in respect of previous periods – deferred tax	**270**	2,271
Current year losses for which no deferred tax was recognised	**460**	766
Other differences	**(114)**	(401)
Total tax expense	**101**	1,035

Notes to the Company's Financial Statements *(continued)*

34 Investments

	Shares in subsidiaries £000	Other investments £000	Total £000
Cost			
At beginning of year	**74,884**	**35,557**	**110,441**
Additions	2,182	13,747	15,929
At end of year	**77,066**	**49,304**	**126,370**
Provisions			
At beginning of year	**-**	**-**	**-**
At end of year	-	-	-
Net book value			
At 31 March 2024	**74,884**	**35,557**	**110,441**
At 31 March 2025	**77,066**	**49,304**	**126,370**

Refer to note 14 for details of the Company's investments in subsidiaries and associates.

35 Debtors

	2025 £000	2024 £000
Prepayments and accrued income	**115**	565
Amounts owed by group undertakings	**24,996**	45,118
	25,111	45,683
Current	**25,111**	45,683
Non-current	**-**	-

36 Current liabilities

	2025 £000	2024 £000
Creditors: amounts falling due within one year		
Bank loans and overdrafts (Note 37)	**30,072**	27,761
Amounts owed to group undertakings	**25,016**	30,686
Accruals and deferred income	**330**	457
	55,418	58,904

Notes to the Company's Financial Statements *(continued)*

37 Bank loans and overdraft

This note provides information about the contractual terms of the Group's borrowings, which are measured at amortised cost. For more information about the Company's exposure to interest rate and foreign currency risk, see note 25.

	2025 £000	2024 £000
Non-current liabilities		
Secured bank loans	-	-
	-	-
Current liabilities		
Current portion of secured bank loans	**30,072**	27,761
	30,072	27,761

Covenants

As per the facility agreement with the Banks, the Group is subject to a number of financial covenants in relation to its borrowing which, if breached, would result in its loans becoming immediately repayable.

Terms and debt repayment schedule – current year facilities

Group loan facility
The Group entered a new facilities agreement on 11 March 2024. The facility consists of a Revolving Credit Facility. The facility is drawn down by TVS Logistics Investment UK Limited, TVS Supply Chain Solutions Limited and Rico Logistics and lent to group companies as required.

Revolving Credit Facility (RCF): GBP RCF from the consortium loan arrangement (DBS Bank, Standard Chartered Bank, Axis Bank and HDFC Bank) availed by TVS Logistics Investments UK Limited and its subsidiaries is secured by a charge on its other assets and is also secured by guarantee provided by TVS Supply Chain Solutions Limited. The facility borrowings bear a variable interest rate of 2.25% + 1 month SONIA for facility A and 1.75%. + 1 month SONIA for facility B.

The revolving credit facility is repayable by March 2026 and the credit facility is expected to be renewed by the entity once it is expired.

The Secured bank loans are net of transaction costs released over the life of the loan. The total loan repayable at the year-end was £30,072,000 (2024: £27,761,000) of which £30,072,000 (2024: £27,761,000) is classified within current liabilities and £nil (2024: £nil) is classified within non-current liabilities.

Notes to the Company's Financial Statements *(continued)*

38 Creditors: amounts falling due after more than one year

	2025	2024
	£000	£000
Derivatives	**-**	86
	-	86

39 Capital and reserves

Share capital

	Ordinary shares of £1 each	**Share Premium**
Allotted, called up and fully paid		
At 1 April 2024	**9,964**	**66,506**
Issue of share capital	-	-
At 31 March 2025	**9,964**	**66,506**

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

Capital redemption reserve

The nominal value of shares repurchased and still held at the end of the reporting period.

Share premium

The premium received above the nominal value of shares issued and held at the end of the reporting period.

Dividends

Dividends of £nil (2024: £nil) per qualifying ordinary share were recognised during the period.

40 Contingencies

Contingent liabilities

In order for the subsidiary entity, Peter Thomas & Co (Refurbishing) Limited, to take the audit exemption in section 479A of the Companies Act 2006, the Company has guaranteed all outstanding liabilities of the subsidiary undertaking at 31 March 2025 until those liabilities are settled.

Notes to the Company's Financial Statements *(continued)*

41 Financial instruments

Fair values of financial instruments

The fair values of all financial assets and financial liabilities by class together with their carrying amounts shown in the balance sheet are as follows:

Year ending 31 March 2024

	Fair value through P&L £000	Amortised cost £000	Total £000
Financial assets at fair value	-	-	-
Financial assets not at fair value	-	80,675	80,675
Financial liabilities at fair value	(86)	-	(86)
Financial liabilities not at fair value	-	(58,904)	(58,904)
Total	**(86)**	21,771	21,685

Year ending 31 March 2025

	Fair value through P&L £000	Amortised cost £000	Total £000
Financial assets at fair value	-	-	-
Financial assets not at fair value	-	74,300	74,300
Financial liabilities at fair value	-	-	-
Financial liabilities not at fair value	-	(55,418)	(55,418)
Total	**-**	**(18,882)**	**(18,882)**

42 Related party disclosures

Related party balances

	Receivables outstanding		Creditors outstanding	
	2025 £000	2024 £000	**2025 £000**	2024 £000
Ultimate Parent of the Group	**-**	**-**	**1,353**	12,742
Other related parties	**24,996**	45,118	**23,663**	17,944
	24,996	45,118	**25,016**	30,686

The Ultimate Parent of the Group is defined in note 28 and Associates are defined in note 13.

43 Previous year financials

Previous year figures have been regrouped and rearranged to make them comparable with the current year figures

TVS Supply Chain Solutions Limited, UK

FY 2024-25

TVS Supply Chain Solutions Limited

Annual report and financial statements

Registered number 02748952

Year ended 31 March 2025

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Company Information

Company Registration no.
02748952

Directors
A J Jones (Resigned 1st April 2025)
J R Croyden (Appointed 1st April 2025)
P J Roberts
R Viswanathan
T Khanna

Secretary
P J Roberts

Registered office
Logistics House
Buckshaw Avenue
Chorley
Lancashire
PR6 7AJ

Bankers
Barclays Bank PLC
Leicester
Leicestershire
United Kingdom
LE87 2BB

Auditor
PBG Associates Ltd
Chartered Accountants and Statutory Auditors
65 Delamere Road
Hayes
United Kingdom
UB4 0NN

Strategic report

The Directors have the pleasure in submitting their strategic report for TVS Supply Chain Solutions Limited, "the Company", for the year ended 31 March 2025.

Review of business

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

The Company has once again seen revenue growth from the prior year. This is a combination of the purchase of the trade of Peter Thomas & Co (Refurbishing), revenue growth from existing customers and annualisation of revenue from new customers won during the prior year. In addition several key contracts have been renewed and extended.

The Company operates across the automotive, utilities & smart metering, beverage, rail, industrial and defence sectors and this diversification helped the Company continue to thrive. The Company has a strong pipeline of new business and further growth is anticipated in the Financial Year ending 31 March 2026.

The Company continues to be profitable with EBITDA of £8,239,000 (2024: £10,235,000) and strong performance across most sectors. During the year there were various cost pressures such as the increase in national minimum wage and inflation, however, many of the Company's customer contracts allow for recovery of these costs through annual price increase mechanisms in most cases.

The Gross Profit Margin percentage was 23% (2024: 24%). The reduction in Gross Profit Margin percentage was largely due to certain resource investments to ensure quality of service was maintained for its customer base.

Net interest reduced by £2,188,000 from an income of £777,000 to a charge of £1,481,000. This was due a dividend in specie in the Year ending 31st March 2024 to reduce the interest-bearing intercompany loan to the parent company (TVS Logistics Investment UK limited).

At the year end the Company had shareholders' funds and distributable reserves of £16,962,000 (2024: £14,831,000). The Directors therefore believe that the financial position of the Company is satisfactory.

The Company has continued to utilise elements of its in-house IT systems whilst continuing to invest in developing bespoke customer focused IT solutions.

The Directors consider that the Company is well placed for future growth.

Key performance indicators

Non-Financial

The key performance indicators (KPIs) of the business are those that are enshrined in its key customer contracts and vary from contract to contract. These include inventory first fill availability, on time shipping, error free picking and inventory accuracy. In the case of certain customers, the Company is not contracted to any KPI's. The Company tries to exceed customer expectations and therefore has set internal measures that generally exceed its contractual KPI obligations to its customers or creates better than industry standard measures where contractual measures don't exist. Against these measures the Company achieved a product availability measure of 99.24% (2024: 96.59%) and a transport delivery on time performance of 97.55% (2024: 94.35%). The Company has linked all employees' incentives to delivering inspirational service to its customers measured by its key performance indicator – the Inspirational Service Index – which is an on time in full measure

Financial

Financial performance is monitored on a regular basis and the actual results are compared to budgets, forecasts and prior periods. The Company considers its key performance indicators (KPIs) to be that of Revenue, EBITDA and PBT and these indicators have been disclosed below:

KPIs:	**2025**	2024	2023
	£'000	£'000	£'000
Revenue	**194,769**	186,096	158,089
EBITDA (Operating profit plus Depreciation & Amortisation note 3)	**8,239**	10,235	7,603
PBT	**2,860**	8,304	4,990

Strategic report (continued)

Principal risks and uncertainties

The Company maintains 5 ISO certified management systems (quality, security, environmental, business continuity and health and safety) and each one is risk focused.

Risk registers for each area are reviewed and maintained multiple times over the year and feed directly into area specific working groups and also upward into our management review meetings with the UK Board.

Risk plays a major part in our compliance with ISO systems and as such these are externally audited by our certifying body, UKAS accredited LRQA.

Regular communications from management, such as Company wide briefings (Known as Core Brief), occur to issue best practice and emphasise ethical behaviour. In addition, policies are maintained, updated and issued where necessary on an external platform.

The key risks to the Company are:

- Winning of new business
- Retention of key staff
- Impact of inflation
- Cost of living
- Supply chain risk

Winning new business

Failure to win new customer contracts is a key risk. During the year the Company won a number of new customer contracts and secured several key contract renewals. The Company has a strong pipeline of potential new customers for financial year 2026.

The winning of new contracts and the renewal of existing contracts is dependent upon the Company providing a highly cost effective and customer service driven service offering. The Company manages this risk by demonstrating to its customers that it is providing added value services to the customers' business that differentiate the Company from its competitors.

Retention of key staff

Retention of employees is fundamental to the success of the Company. The Company's success is driven by its employees and the Company continues to ensure this is recognised. The culture of the Company promotes a positive workplace with employee feedback captured by surveys and focus groups. Results are reported to Board level.

Inflation

Despite inflation dropping to 3.2% (2024: 3.8%) (RPI percentage change over 12 months) there is cost pressure on the Company. In addition to product cost the Company has identified Energy, Transport, and Employee costs as key areas of concern. A working group that reports to the Board was set up in the prior year which reviewed the impact of inflation and is continuing to look at process improvement and innovation to drive efficiencies.

Cost of Living

Certain sectors that the Company operates in are affected by the increased cost of living, particularly beverage in the leisure sector. However, the Company generally supplies infrastructure to its customers and does not supply directly to consumers and it also has fixed elements in its pricing structure so these results in the Company being less sensitive to consumer volumes.

Supply Chain Risk

The primary supply chain risks identified this year have been the management of products containing Russian material and Red Sea Disruption. Through engagement with the supply chain and the robust management of product data, appropriate actions have been taken to reduce disruption and ensure compliance. The Company has adopted a proactive approach to supply chain risk using the extensive data it holds to mitigate the impact to its customers and therefore financial outcome.

Strategic report *(continued)*

Directors' statement of compliance with duty to promote the success of the group

This statement describes how the Directors' have approached the responsibilities under s172(1)(a) to (f) of the Companies Act 2006 for the year ended 31 March 2025.

The main stakeholders of the business include employees, customers, suppliers, shareholders and external lenders.

The Directors' consider that they have acted in good faith to promote the success of the Company on behalf of its stakeholders, in relation to the matters set out in s172 of the Companies Act 2006.

The Directors' monitor and review strategic objectives, against long term growth plans. Regular reviews are held across key business areas, including financial performance, risks and opportunities, health and safety, human resources and operations. The performance of the Company is reviewed regularly at department and Board meetings. When making decisions, they consider the probable outcomes and how they affect the business over time.

The core principle of the Company is ensuring transparent conduct which reflects fairness in all dealings with employees, customers and suppliers. A testament to this, is reflected in the length of service of our employees and management team.

The Company has a policy of equal opportunities in all aspects of employment. Employees are kept informed of matters of concern to them in a variety of ways, including newsletters, email updates, meetings and verbal communication to staff. These communications help to achieve a common awareness among employees regarding the performance of the Company. The Directors' understand that it is critical to engage with employees to understand their views and ensure that their interests are considered. There are consultations between management and employees on matters of concern, which evolve to meet the changing needs of the business. The policy of the Company is to consult and discuss matters with employees and to resolve any problems in accordance with relevant procedures and legislation. The consultation includes employee engagement surveys and focus groups.

The Company follows a policy of equal opportunities for all stakeholders. The Company aims to make sure that all stakeholders get the same level of service and employees or potential employees with disabilities have the same access and opportunities as other employees or potential employees.

Our customers and suppliers are fundamental to the success of the Company. It is imperative that the Company maintains its reputation of delivering high quality services and products. The Company is committed to establishing and managing a sustainable supply chain that can efficiently and consistently provide the goods and services required. The Company reflect this through the commitment to achieve the Corporate Ethical Procurement Kite Mark from the Chartered Institute of Procurement and Supply. Furthermore, the Company adhere to their sustainability charter to ensure we commit to working with a supply chain that is fair and ethical, legally compliant and delivers best overall value whilst considering the environment and impacts on society. An ESG audit has been implemented which will identify any red flags and areas of weakness in the supply chain which may restrict a supplier until the issues have been resolved, focusing on improving the supply chain.

The Company continues to drive an engaged and motivated supply chain through a formal supplier relationship management process. This process drives innovation and continuous improvement for all organisations involved to enhance the overall service that the Company can offer.

The Company strives to continually improve and strengthen its brand and offering for the mutual benefit of all stakeholders. This is communicated through the Company and has a growing digital presence with all our latest news available on the Company's website https://www.tvsscs.com and LinkedIn. The Directors take environmental matters into consideration as part of the decision-making process, in order to minimise the impact on the environment where possible. Further detail of how this is monitored is explained in the Directors' report.

The Directors' intentions are to behave responsibly towards all stakeholders and to treat them fairly and equally, to ensure that they all benefit from the success of the Group.

All employees sign up to adhere to the Company's code of conduct with regular training driven by the Directors. The Company applies the UKAS accredited ISO certification framework. This helps achieve continued improvements and includes the following management systems: Environmental, Quality, Information Security, Occupational health and safety and Business continuity. The Directors have a key focus on ethical behaviour and have a whistleblowing channel set up via internal systems.

Strategic report *(continued)*

The Directors' have overall responsibility for determining the purpose, values and strategy of the Company and for ensuring high standards of governance. The primary aim of the Directors' is to promote the long-term sustainable success of the Company, thus generating value for all stakeholders. Regular reporting to the Ultimate Parent of the Group, TVS Supply Chain Solutions Limited (incorporated in India) is undertaken with regards to Company's performance and contribution to the wider Group. The Group closely monitor decisions made and the Directors also participate in meetings with management of the Ultimate Parent.

Key decisions	Impact assessment on stakeholders
Social value & Health and Wellbeing awareness	This was the second year of recording our Social Value impact using Thrive software and the Company has exceeded all expectations by generating an impressive £1,404,000 (2024: £750,000) of wealth, back into the U.K. economy. This monetised figure comes from the impact on society from the activity carried out by the Company in relation to corporate and contract social value and relates to the five key themes and policy outcomes from the government Social Value Model. By capturing the fiscal, economic, wellbeing, environmental, and social impact, and reporting this activity against proxy values created by the Impact Evaluation Standard, the Company is able to provide a tangible figure, known as welfare economics. TVS SCS acknowledge the importance of social responsibility within a sustainable organisation, and that taking care of the health and wellbeing of our workforce is to protect our most valuable asset. Moreover, we recognise that by investing in the wellbeing of our employees, the business is having both a positive social and economic impact, supporting our sustainability ambitions within the supply chain and logistics sector. By introducing a series of health and wellbeing initiatives, the business is creating a culture of wellness, furthermore, good health and wellbeing supports personal development for individuals, as well as improving job satisfaction, and making the business more attractive to the best talent during the recruitment process. By reducing absenteeism and presenteeism through positive wellbeing interventions, the business maintains a more stable workforce, thus reducing recruitment and retention costs, as well as supporting the government Social Value mission of building an NHS fit for the future. We are proactively contributing to this particular mission by protecting colleagues health, meaning there is less impact on community health care services. During FY24/25 TVS SCS has maintained an active Health and Wellbeing committee responsible for a number of initiatives, including the ever-popular May Walking Challenge and Time to Talk, 'the nation's biggest mental health conversation' lead by the national charity, MIND. In addition, there have been initiatives to support corporate social responsibility through volunteer projects with community organisations such as Chorley Buddies. Volunteering has a significant impact on wellbeing by encouraging colleagues to meet new people and participate in networking opportunities, thus reducing loneliness and isolation as well as improving self-esteem through learning new skills. We have continued our partnership with Hey Girls, with period products being provided across all of the Company's sites and each sale being matched as a complete donation going to vulnerable groups of people across the U.K. The number of Mental Health First Aiders has grown, with a network of skilled colleagues dedicated to supporting the emotional wellbeing of the workforce. This confidential service is there to offer a first line of support and signpost individuals struggling with poor mental heath to the appropriate services as and when necessary. Our EAP continues to support our employees with counselling services, nutritional workshops, smoking cessation programs and financial advice. This year we maintained the Investors in People (IIP) accreditation, we believe this achievement reflects our dedication to nurture and empower our employees to reach their full potential, which is essential to their overall wellbeing. Finally, TVS SCS is a Gold Standard, Forces Friendly employer. The business achieved this award in 2022 and is granted by the Employee Recognition Scheme, part of the Armed Forces Covenant. To achieve, and maintain this prestigious award, we actively support the wellbeing of veterans and their families, as well as supporting the reserves and cadet teams.
Bids for new contracts only where values align	All new contracts won are an important part of the Company's growth and the Directors have taken consideration that new customer values align with the Company's value to prevent / minimise any impact on the stakeholders.

The Directors' will continue to review and improve engagement with all stakeholders.

The report was approved by the Board on 12 September 2025 and signed on its behalf:

P J Roberts
Director

Logistics House, Buckshaw Avenue
Chorley, Lancashire, PR6 7AJ

Directors' report

The Directors have pleasure in submitting their report together with the audited financial statements for TVS Supply Chain Solutions Limited for the year ended 31 March 2025. TVS Supply Chain Solutions Limited ("the Company") is a private company limited by shares and domiciled in the UK.

Principal activities
The principal activities of the Company during the year were the provision of outsourced inventory management and logistics services to the automotive, utilities & smart metering, beverage, rail, industrial and defence sectors.

Dividends
Dividends of £nil were paid during the year *(2024: £43,909,000)*. The Directors do not recommend final dividend *(2024: £nil)*.

Directors
The Directors who held office during the year were as follows:

A J Jones (Resigned 1st April 2025)
P J Roberts
R Viswanathan
T Khanna

Going Concern
In determining whether the Company's annual financial statements can be prepared on a going concern basis, the Directors have considered the Company's business activities, together with the factors likely to affect its future development, performance and position. The review also includes the financial position of the Company and the wider Group that the Company is part of, their liquidity position and borrowing facilities. The key factors considered by the Directors were as follows:

- The implications of changes to the economic environment on the Company's revenues and profits. The Company and wider Group undertake monthly 18 month rolling forecasts and a long-range plan for 5 years in addition to 13 weekly projections of cash flows. This allows the Company to target performance and identify areas of focus for management. These forecasts are robust and the Company has a strong history of accurate forecasting. Stress tests, where the budgeted costs are flexed for the impact of inflation but revenue sees only 3% growth from financial year ending 31 March 2025, along with increased debtor days increasing the working capital outlay, shows that the Company has cash surplus and does not require any additional support from the Group; and
- Principal risks and uncertainties including winning of new business, retention of key staff, impact of inflation, and supply chain risk; and
- The impact of the competitive environment within which the Company's businesses operates; and
- The potential actions that could be taken in the event that revenues are worse than expected, to ensure that operating profit and cash flows are protected.

The Ultimate Parent, TVS Supply Chain Solutions Limited incorporated in India, along with its subsidiaries entered into a new Facilities Agreement dated 11 March 2024 with a consortium of lenders. The revolving credit facility can be used by the subsidiaries to meet working capital requirements. As at 31 August 2025 TVS Supply Chain Solutions Limited is utilising £10,000,000, TVS Logistics Investment UK Limited is utilising £26,537,355 and TVS SCS IFM is utilising £27,545,925 of the available £91,455,000 revolving credit facility (2024: £91,528,500). There is a parental guarantee available for the repayment of the facility and therefore management do not foresee any impact to operations. Facility A and Facility B are due for renewal in March 2026. The Group is confident of getting facility B renewed. In the unlikely event of non-renewal, the Ultimate Parent has the ability and is willing to provide the necessary financial support to fund TVS Logistics Investment UK Limited and its subsidiaries till December 2026. In addition, the Ultimate Parent has confirmed that they will not require the repayment of the related inter group trading balances during the going concern period i.e up to twelve months from date of approval of these financial statements.

The Directors have assessed the level of financial support available from the Ultimate Parent taking into account the Ultimate Parent's financial plan and cash flow forecast in the period up to twelve months from date of approval of these financial statements and are satisfied that sufficient support is available to the Group.

Directors' report *(continued)*

The Directors confirm that, after due consideration they have a reasonable expectation that the Company has adequate resources to continue in business to at least 31 March 2026. Accordingly, the annual report and financial statements for the year ended 31 March 2025 have been prepared on the going concern basis.

Research and development
The Company engages in research and development activities relating to the development of IT systems. This enables the Company to improve cost efficiency and customer service offering.

Employees
The Company's policy is to involve employees by way of appropriate consultation and discussion with staff and recognised trade unions in matters likely to affect employees' interests. Information on matters of concern to employees is given through monthly team briefings, which seek to achieve common awareness on the part of all employees of the financial and economic factors affecting the Company's performance.

Modern Slavery
In November 2024 the Board approved the annual Modern Slavery Act Statement. This can be found at www.tvsscs.com. The Company is committed to following the highest ethical standards across many areas in its approach to business both internally and across its supply chain and has numerous policies in place including: Dignity at work, Recruitment and selection process, Ethical Sourcing and Supplier Sustainability Charter.

Disabled persons
The Company's recruitment policy ensures fair and open recruitment practices which provide equal opportunity to secure employment within the Company – with reasonable adjustments if required. All necessary assistance with initial selection and training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, where possible, for retraining/re-deploying employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Political donations
The Company made no political contributions during the year *(2024: £nil)*.

Charitable donations
The Company made charitable donations amounting to £5,000during the year (*2024: £4,824*).

Business Relationships
The Directors are committed to fostering strong and collaborative relationships with the Company's key stakeholders, which include suppliers, customers, and other business partners. Engagement with these groups is essential to sustaining the Company's long-term success and delivering value across the supply chain.

Streamlined Energy and Carbon Reporting Framework Regulations

The Company is committed to its environmental responsibilities, as stated in its Environmental Policy. The Company assesses how its activities affect the environment and develops and carries out policies to reduce any damage that might result from the Company's operations. Initiatives designed to minimise the Company's impact on the environment include improving our energy efficiency, reducing the amount of CO2 emissions by switching from conventional to renewable energy sources, minimising the consumption of water and the production of waste (both hazardous and non-hazardous) and by working to minimise unnecessary travel. In the Financial Year ended 2024 TVS offset 600 tonnes of carbon through a variety of certified tree planting schemes, offshore wind investment, and peat bog restoration projects in Brazil, Indonesia. Mongolia, Burkina Faso, Egypt and Turkey. The Company is certificated to ISO14001 which requires it to maintain an environmental management system with continuous improvement as a key objective.

Directors' report *(continued)*

Annual Energy Consumption and Greenhouse emissions

The Company has considered the annual Energy consumption and Greenhouse emissions for Utilities, Vehicles, Waste and Consumables. We have obtained the energy consumption for each category considered and used the DEFRA conversion provided by the government to calculate Greenhouse emissions. Utilities suppliers report energy consumption data. Vehicles is calculated by using fuel card data for consumption of fuel. The Company replaced its diesel pool car fleet with plug-in electric/hybrid vehicles in July 2024. Emissions are considered for passenger vehicles, Vans & HGVs using each vehicles specification. Waste and Consumables (mainly packaging) information reporting methods on purchased consumables across all sites. Significant investment has continued to be made in returnable and reusable packaging in the last financial year.

The Company supported a range of projects in Brazil, Indonesia. Mongolia, Burkina Faso, Egypt and Turkey as part of its Carbon offset projects.

As part of its phase 1 of its green energy initiative, in May 2023 the Company installed Solar PV at its Chorley HQ and in May and July 2024 EV charging points were installed at its Chorley and Wakefield sites, respectively.

The electricity utilisation and associated CO2 emissions are expected to continue reducing in financial year 2026 following the implementation of Solar panels.

Scope	**Unit**	**2025**	**2024**
SCOPE 1	CO2e tonnes	**64**	73
SCOPE 2	CO2e tonnes	**391**	431
SCOPE 3	CO2e tonnes	**482**	529
Sub-Total	CO2e tonnes	**937**	1,033
Offset projects	CO2e tonnes	**-**	(600)
Total	CO2e tonnes	**937**	433
Electricity	KWh	**1,885,876**	2,078,975
Gas	KWh	**353,737**	400,209
Fuel	Litres	**283,571**	482

The significant increase in fuel usage relates to a new more accurate data capture system.

Energy efficiency action taken

In 2024, the Company underwent an Energy Savings Opportunities Scheme (ESOS) audit. This audit reviewed the Company's current activities and energy consumption to determine trends and reductions opportunities. In March 2025, the Company have developed an energy reduction plan to maximise efficient energy consumption at Chorley HQ whilst investing in more energy efficient technology.

The Company have therefore committed to the below initiatives which we will action in 2025-26:

- Heating Controls – Audit and adjust our heating system to maximise energy consumption and ensure we are efficiently using our heating systems.
- Anti-dry Cycling Controls – Adding these controls to our gas-fuelled boilers will help us improve the energy efficiency of our boilers and reduce energy consumption.
- Air Conditioning Compressor optimisers – this improvement will reduce energy consumption and will improve the live span of our system.
- LED lighting – Actively replace fluorescent lamps with LED alternatives to reduce energy consumption from lighting at our facilities.

Directors' report *(continued)*

Financial instruments

The Company's principal financial instruments during the year comprised cash, bank loans in the form of a revolving credit facility entered in the year and various non-derivative financial instruments such as trade debtors and trade creditors that arise directly from its operations.

The Company's policy is that no trading in financial instruments be undertaken.

The main risks arising from the Company's financial instruments are interest rate risk, liquidity/cash flow risk, exchange risk and credit risk.

Interest rate risk

The Company is exposed to interest rate risks on its £10,000,000 revolving credit facility entered in the year. This risk is offset by intercompany loans to TVS Logistics Investment UK limited.

Currency risk

The Company does not face significant currency risk since the majority of its operations are UK-based and the vast majority of transactions are denominated in Sterling.

Liquidity risk/cash flow risk

The Company does not face significant cashflow risk due to its underlying performance and cash generation.

Credit risk

Credit risk arises from the possibility of customers and counterparties failing to meet their obligations to the Company. Debtor balances are monitored on an ongoing basis and provision is made for doubtful debts. At the reporting date, debtors which are not impaired are believed to be recoverable.

Directors' report *(continued)*

Statement of Directors' responsibilities in respect of the strategic report, the Directors' report and the financial statements

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 101 'Reduced Disclosure Framework' (UK Accounting Standards and applicable law) in conformity with the Companies Act 2006. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the Profit or Loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the Financial Position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Directors' statement as to disclosure of information to auditor
The Directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Subsequent events
The Directors have considered that there are no subsequent events to the date of signing.

Auditor
PBG Associates Ltd were appointed as auditor in accordance with section 485 of the Companies Act 2006. A resolution proposing that they will be re-appointed will be put at a General Meeting.

The report was approved by the Board on 12 September 2025 and signed on its behalf:

P J Roberts
Director
Logistics House, Buckshaw Avenue
Chorley, Lancashire, PR6 7AJ

Independent Auditor's Report to the Members of TVS Supply Chain Solutions Limited

Opinion

We have audited the financial statements of TVS Supply Chain Solutions Limited for the year ended 31 March 2025 which comprise Statement of Profit and loss and Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes to the financial statements including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The financial statements of previous year were audited by another auditor who expressed an unmodified opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period up to twelve months from date of approval of these financial statements .

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of TVS Supply Chain Solutions Limited *(continued)*

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 12, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

-We obtained a general understanding of the legal and regulatory frameworks that are applicable to the company and determined that there are no significant laws and regulations except for company's legislation and the financial reporting framework (FRS 101 and Companies act 2006). We obtained a general understanding of how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance matters of the Company.

-The Company's principal activity was that of provision of outsourced inventory management and logistics services to the automotive, utilities & smart metering, beverage, rail, industrial and defence sectors. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.

-Enquiries with the management concerning any actual or potential litigation or claims; inspection of relevant legal correspondence if any; review of Board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Devender Arora FCA (Senior Statutory Auditor)
for and on behalf of PBG Associates Limited
Chartered Accountants and Statutory Auditors
65 Delamere Road
Hayes, Middlesex
UB4 0NN

Date:

Statement of Profit & Loss and Other Comprehensive Income

for the year ended 31 March 2025

	Note	**2025**	**2024**
		£000	**£000**
Turnover	*2*	**194,769**	**186,096**
Cost of sales		(150,388)	(141,771)
Gross profit		**44,381**	**44,325**
Distribution costs		(16,380)	(15,611)
Administrative expenses		(23,659)	(21,187)
Operating profit		**4,342**	**7,527**
Interest receivable and similar income	*6*	928	2,351
Finance Expense	*7*	(2,409)	(1,574)
Profit on ordinary activities before taxation		**2,861**	**8,304**
Tax on profit	*8*	(730)	(2,347)
Profit and total comprehensive income for the financial year		**2,131**	**5,957**

The Statement of Profit & Loss and Other Comprehensive Income has been prepared on the basis that all operations are continuing operations.

The accompanying notes form an integral part of these financial statements.

Statement of Financial Position

At 31 March 2025

	Note	**2025 £000**	**2025 £000**	2024 £000	2024 £000
Fixed assets					
Intangible assets	*9*		3,454		2,757
Tangible assets	*10*		3,837		3,015
Right of use asset	*11*		11,739		11,775
Investments	*12*		-		463
Deferred tax asset	*19*		1,147		1,670
Other non-current assets	*14*		51		-
			20,228		19,680
Current assets					
Stocks	*13*	16,903		15,952	
Debtors	*14*	48,685		43,768	
Cash at bank and in hand		9,013		11,392	
		74,601		71,112	
Assets held for sale	*15*	-		255	
Creditors: amounts falling due within one year	*16*	(56,144)		(53,344)	
Net current assets			18,457		18,023
Total assets less current liabilities			38,685		37,703
Creditors: amounts falling due after one year	*17*		(20,096)		(21,556)
Provisions for liabilities	*19*		(1,627)		(1,316)
Net assets			**16,962**		**14,831**
Capital and reserves					
Called up share capital	*20*		-		-
Profit and Loss			16,962		14,831
Total equity			**16,962**		**14,831**

The accompanying notes form an integral part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 12 September 2025 and were signed on its behalf by:

P J Roberts
Director

Company registered number: 02748952

Statement of Changes in Equity

for the year ended 31 March 2025

	Share Capital £000	Profit & Loss £000	Total £000
Balance at 1 April 2023	-	**52,783**	**52,783**
Profit for the year	-	5,957	5,957
Total comprehensive income for the year	-	5,957	5,957
Dividends paid	-	(43,909)	(43,909)
Balance at 31 March 2024 and 1 April 2024	-	14,831	14,831
Profit for the year	-	2,131	2,131
Total comprehensive income for the year	-	**2,131**	**2,131**
Balance at 31 March 2025	-	**16,962**	**16,962**

Notes to the financial statements

1 Accounting policies

TVS Supply Chain Solutions Limited (the "Company") is a private company incorporated, domiciled and registered in England and Wales. The registered number is 02748952 and the registered address is Logistics House, Buckshaw Avenue, Chorley, Lancashire, PR6 7AJ.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The presentation currency of these financial statements is sterling. All monetary amounts in the financial statements have been rounded to the nearest £1,000.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards in conformity with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The Company presents an additional disclosure of any restatement to prior period financial statements due to the impact of new accounting standards.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 24.

The Company's ultimate parent undertaking, TVS Supply Chain Solutions Limited, incorporated in India, includes the Company in its consolidated financial statements. The consolidated financial statements of TVS Supply Chain Solutions Limited, incorporated in India, are prepared in accordance with Indian Accounting Standards ("Ind-AS") and are available to the public from the Ministry of Corporate Affairs, India.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Certain disclosures relating to IAS 7 Cash Flow Statement and related notes;
- Certain disclosures relating to IFRS 15 regarding revenue;
- Disclosures relating to IAS 1 for comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures relating to IAS 24 in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- Disclosures under IAS 8 relating to the effects of new but not yet effective IFRSs;
- Disclosures of transactions with a management entity that provides key management personnel services to the Company; and
- Disclosures relating to IAS 24 in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of TVS Supply Chain Solutions Limited (incorporated in India) include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IAS 36 *Impairment of assets* in respect of the impairment of goodwill
- Certain disclosures required by IFRS 3 *Business Combinations* in respect of business combinations undertaken by the Company in prior periods including the comparative period reconciliation for goodwill; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures.*
- Disclosures relating to IFRS 2 Share-based Payment as the arrangement relates to equity instruments in the ultimate parent entity

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

The Company proposes to continue to adopt the reduced disclosure framework of FRS101 in its next financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis.

Going concern

In determining whether the Company's annual financial statements can be prepared on a going concern basis, the Directors have considered the Company's business activities, together with the factors likely to affect its future development, performance and position. The review also includes the financial position of the Company and the wider Group that the Company is part of, their liquidity position and borrowing facilities. The key factors considered by the Directors were as follows:

- The implications of changes to the economic environment on the Company's revenues and profits. The Company and wider Group undertake monthly 18 month rolling forecasts and a long-range plan for 5 years in addition to 13 weekly projections of cash flows. This allows the Company to target performance and identify areas of focus for management. These forecasts are robust and the Company has a strong history of accurate forecasting. Stress tests, where the budgeted costs are flexed for the impact of inflation but revenue sees only 3% growth from financial year ending 31 March 2025, along with increased debtor days increasing the working capital outlay, shows that the Company has cash surplus and does not require any additional support from the Group; and
- Principal risks and uncertainties including winning of new business, retention of key staff, impact of inflation, supply chain risk; and
- The impact of the competitive environment within which the Company's businesses operates; and
- The potential actions that could be taken in the event that revenues are worse than expected, to ensure that operating profit and cash flows are protected.

The Ultimate Parent, TVS Supply Chain Solutions Limited incorporated in India, along with its subsidiaries entered into a new Facilities Agreement dated 11 March 2024 with a consortium of lenders. The revolving credit facility can be used by the subsidiaries to meet working capital requirements. As at 31 August 2025 TVS Supply Chain Solutions Limited is utilising £10,000,000, TVS Logistics Investment UK Limited is utilising £26,537,355 and TVS SCS IFM is utilising £27,545,925 of the available £91,455,000 revolving credit facility (2024: £91,528,500). There is a parental guarantee available for the repayment of the facility and therefore management do not foresee any impact to operations. Facility A and Facility B are due for renewal in March 2026. The Group is confident of getting both facility A & B renewed. In the unlikely event of non-renewal, the Ultimate Parent has the ability and is willing to provide the necessary financial support to fund TVS Logistics Investment UK Limited and its subsidiaries till December 2026. In addition, the Ultimate Parent has confirmed that they will not require the repayment of the related inter group trading balances during the going concern for up to twelve months from date of approval of these financial statements .

The Directors have assessed the level of financial support available from the Ultimate Parent taking into account the Ultimate Parent's financial plan and cash flow forecast in the period up to twelve months from date of approval of these financial statements and are satisfied that sufficient support is available to the Group.

The Directors confirm that, after due consideration they have a reasonable expectation that the Company and the Group have adequate resources to continue in business to at least up to twelve months from date of approval of these financial statements . Accordingly, the annual report and financial statements for the year ended 31 March 2025 have been prepared on the going concern basis.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Foreign currencies

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate prevailing at the date of the transaction. The functional currency of the Company is Pound Sterling.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

Foreign exchange differences arising on translation are recognised in the profit and loss account.

Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

Trade receivables, loans and other receivables that have fixed or determinable payments, and which are not quoted in an active market, are classified as 'loans and receivables'. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses ("ECL's").

Financial assets are assessed for indicators of credit losses at each reporting date. A financial asset is 'credit impaired' where there is objective evidence that, as a result of one of more events that occurred after initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

ECL's are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Financial assets are derecognised only when the contractual rights to cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Financial instruments *(continued)*

Financial liabilities

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and

(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Basic financial liabilities, including trade, and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities, including borrowings, are initially measured at the transaction price, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

Tangible fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight line basis over its expected useful life, as follows:

Freehold buildings	-	30 years
Leasehold improvements	-	Lower of useful life or lease term
Plant and machinery	-	3 to 10 years
Fixtures and fittings, tools & equipment	-	5 to 8 years
Motor vehicles	-	8 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

An asset is derecognised upon disposal or when no future economic benefits are expected from its use. The gain or loss on disposal of a tangible asset is recognised in the statement of profit and loss and is calculated as the difference between the net disposal proceeds and the carrying amount of the asset at the date of disposal.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Intangible Assets and Goodwill

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units. It is not amortised but is tested annually for impairment. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment in the investee.

Research and development expenditure

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development

Development activities involve a plan or design for the production of new or substantially improved products or processes.

Other intangible assets

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and accumulated impairment losses.

Artificial intelligence assets

Artificial intelligence assets which are developed by the Company are capitalised if the product or process is technically and commercially feasible and the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the artificial intelligence asset during its development.

Amortisation

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Computer Software 10 years
- Artificial Intelligence 2-3 years

Inventory

Inventories are valued at the lower of cost and estimated selling price less costs to complete and sell. The carrying amount of inventory sold is recognised as an expense in the period in which the related revenue is recognised. Cost is based on the standard cost principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition.

Provisions are made against inventory holdings which are excessive in relation to recent demand.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Impairment of non-financial assets excluding stocks

The carrying amounts of the Company's non-financial assets, other than stocks, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Employee benefits

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a Right of use asset and a lease liability at the lease commencement date. The Right of use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option.

In addition, the Right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Incremental borrowing rate is considered to be as follows based on the Company's current access to borrowing:

- All leases that are less than 5 years – 4.5% discount rate
- All leases that are more than 5 years – 7% discount rate

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected to apply the practical expedient not to recognise Right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

Revenue

Revenue is recognised at the fair value of the consideration received or receivable for sale of goods and services to external customers in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Revenue is shown net of Value Added Tax. Revenue is recognised once goods have been despatched or services provided and is representative of the Company fulfilling its contractual performance obligations with regards to activities performed under each contractual arrangement.

Contracts contain various performance obligations, for which each distinctive performance obligation is separately identified. At inception, consideration is assigned to each performance obligation on the basis of the stand-alone selling price. Contracts include both variable and fixed consideration which the Company invoices on a monthly basis after assessing the delivery of each performance obligation. Any contingent consideration is recognised when it is highly probable the Company will receive the consideration and the value can be reliably measured.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Expenses

Operating lease payments

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives received are recognised in the profit and loss account as an integral part of the total lease expense.

Interest receivable and Interest payable

Interest payable and similar expenses include interest payable and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised

Dividends

Dividends are recognised as liabilities once they are no longer at the discretion of the Company.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or the period of the revision and future periods where the revision affects both current and future periods.

The key sources of estimation uncertainty are as follows,

- Estimated Credit Loss is estimated based on a risk factor which is assigned to each customer based on historical trading and market conditions, combined with credit checks undertaken. This risk factor is then applied to overdue invoices and an expected credit loss is calculated.
- Intangible assets are recognised using the most appropriate basis to obtain a reliable, supportable cost of the asset and the useful lives are estimated using the directors knowledge of the business to apply the amortisation period.
- Inventory provisions are estimated based on the expected forecast demand for the product using historical data, market trends and customer knowledge, the difference between the forecast demand and the volume in stock will be considered as an inventory provision
- Provisions have been made for dilapidations. These provisions are estimates and the actual costs and timing of future cash flows are dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period when such determination is made.
- Fair values of assets are arrived at based on the most appropriate measurement available and are reviewed at each reporting date to reflect any changes in the market conditions or recoverability.

Notes to the financial statements *(continued)*

2 Analysis of Revenue

	2025	2024
	£000	£000
Sale of goods	**116,001**	113,441
Rendering of services	**78,768**	72,655
	194,769	186,096

	2025	2024
	£000	£000
By geographical market		
United Kingdom	**187,765**	180,083
Rest of World	**7,004**	6,013
	194,769	186,096

3 Expenses and auditor's remuneration

	2025	2024
	£000	£000
Included in profit/loss are the following:		
Depreciation and other amounts written off owned tangible fixed assets (note 10)	**1,180**	816
Depreciation and other amounts written off right of use assets (note 11)	**2,410**	1,813
Amortisation of intangible assets (note 9)	**308**	80
Loss on foreign exchange transactions	**41**	8
(Gain) on termination of lease contract	**(52)**	-

Auditor's remuneration:

	2025	2024
	£000	£000
Audit of these financial statements	**33**	55

4 Remuneration of directors

	2025	2024
	£000	£000
Directors' emoluments	**525**	818
Company contributions to money purchase pension schemes	**62**	14
Share-based payment transactions	**-**	-
Total remuneration paid to Directors'	**587**	832

The highest paid Director received total remuneration of £432,000 (2024: £541,000). This was made up of emoluments of the £401,000 *(2024: £*537,000*)*, Company pension contributions of £31,000 *(2024: £4,000)* and Share-based payment transactions of £nil (2024: £nil).

	Number of directors	
	2025	2024
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	**2**	2

Notes to the financial statements *(continued)*

5 Staff numbers and costs

The average number of persons employed by the Company (including Directors) during the year, analysed by category, was as follows:

	Number of employees	
	2025	2024
Selling and distribution	**893**	958
Administrative	**182**	170
	1,075	1,128

The aggregate payroll costs of these persons were as follows:

	2025	2024
	£000	£000
Wages and salaries	**48,064**	43,743
Social security costs	**3,726**	3,386
Other pension costs	**2,090**	1,770
Expense arising from equity-settled share-based payment transactions	**-**	65
	53,880	48,964

6 Interest receivable and similar income

	2025	2024
	£000	£000
Interest receivable on group funding arrangements	**863**	2,350
Interest receivable on income tax refund	**65**	-
Interest receivable on directors' loan account	**-**	1
	928	**2,351**

7 Finance expenses

	2025	**2024**
	£000	**£000**
Interest on loans and overdrafts	**764**	41
Interest on group funding arrangements	**126**	39
Interest charged on lease liabilities (note 11)	**1,519**	1,494
	2,409	1,574

Notes to the financial statements *(continued)*

8 Taxation

Analysis of charge in period

	2025	2024
	£000	£000
UK corporation tax		
Current tax (Credit)/ charge on income for the period	**225**	1,835
Adjustments in respect of prior periods	**(18)**	74
Total tax (Credit)/ charge	**207**	1,909
Deferred tax (see note 18)		
Origination/reversal of timing differences	**523**	438
Total deferred tax	**523**	438
Tax on profit	**730**	2,347

	2025	2024
	£000	£000
Current tax reconciliation		
Profit before tax	**2,860**	8,304
Current tax at 25%	**715**	2,076
Effects of:		
Expenses not deductible for tax purposes	**33**	197
Adjustments to tax charge in respect of previous periods	**(18)**	74
Utilisation of parent company losses	**-**	-
Total tax charge (see above)	**730**	2,347

Notes to the financial statements *(continued)*

9 Intangible fixed assets

	Goodwill	Computer software	Intangible Assets under Development	Total
	£000	£000	£000	£000
Cost				
At 1 April 2024	599	2,521	27	3,147
Additions	-	762	429	1,191
Disposals	(186)	-	-	(186)
At 31 March 2025	**413**	**3,283**	**456**	**4,152**
Amortisation				
At 1 April 2024	300	90	-	390
Charge for the year	-	308	-	308
At 31 March 2025	**300**	**398**	**-**	**698**
Net book value				
At 31 March 2025	**113**	**2,885**	**456**	**3,454**
At 31 March 2024	299	2,431	27	2,757

The software comprising of intangible asset includes the company's management system, which has been created by internal development team. The asset is amortised over 6 years.

Impairment testing

The Directors have determined that the value in use of Goodwill is far in excess of the carrying amount and as such the Directors do not consider there to be any impairment in the year.

10 Tangible fixed assets

	Land & buildings £000	Leasehold improvements £000	Plant and machinery £000	Fixtures, fittings, tools and equipment £000	Motor vehicles £000	Capital Work in progress £000	Total £000
Cost							
At 1 April 2024	614	671	4,783	10,793	69	-	16,930
Additions on acquisitions	-	-	317	88	-	-	405
Other additions	24	51	314	1,110	-	98	1,597
At 31 March 2025	**638**	**722**	**5,414**	**11,991**	**69**	**98**	**18,932**
Accumulated depreciation							
At 1 April 2024	355	86	3,987	9,463	24	-	13,915
Charge for the year	26	38	352	757	7	-	1,180
At 31 March 2025	**381**	**124**	**4,339**	**10,220**	**31**	**-**	**15,095**
Net book value							
At 31 March 2025	**257**	**598**	**1,075**	**1,771**	**38**	**98**	**3,837**
At 31 March 2024	259	585	796	1,330	45	-	3,015

Notes to the financial statements *(continued)*

11 Right of use assets

The Company has lease contracts for various items of plant, machinery, vehicles and other equipment used in its operations. Leases of plant and machinery generally have lease terms between 3 and 15 years, while motor vehicles and other equipment generally have lease terms between 3 and 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios.

The Company also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of Right of use assets recognised and the movements during the period:

	Land & buildings £000	**Plant and machinery £000**	**Motor vehicles £000**	**Total £000**
Cost				
At 1 April 2024	16,450	2,773	314	19,537
Additions	2,246	-	296	2,542
Disposals	-	(553)	-	(553)
At 31 March 2025	**18,696**	**2,220**	**610**	**21,526**
Accumulated depreciation				
At 1 April 2024	5,641	1,910	211	7,762
Charge for the year	1,879	384	147	2,410
Disposals	-	(385)	-	(385)
At 31 March 2025	**7,520**	**1,909**	**358**	**9,787**
Net book value				
At 31 March 2025	**11,176**	**311**	**252**	**11,739**
At 31 March 2024	10,809	863	103	11,775

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and Borrowings) and the movements during the period:

	2025 £000	2024 £000
Balance at the beginning of the year	**25,001**	26,707
Additions	**2,542**	261
Interest charge for the year	**1,519**	1,494
Payments made during the year	**(4.206)**	(3,461)
Reversals	**(273)**	-
Balance at the end of the year	**24,583**	25,001
Current	**2,990**	2,184
Non-Current	**20,096**	21,556
Dilapidations	**1,627**	1,316

Notes to the financial statements *(continued)*

11 Right of use assets *(continued)*

The following are the amounts recognised in profit or loss:

	2025 £000	2024 £000
Depreciation expense of Right of use assets	**2,410**	1,813
Interest charged on lease liability	**1,519**	1,494
Total amount recognised in the profit or loss	**3,929**	3,307

Due to the nature of the leases, there is potential that the Company has lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (see Note 25).

Set out below are the undiscounted potential future rental payments:

	2025 £000	2024 £000
Within 1 year	**4,268**	3,477
Within 2-5 years	**12,973**	12,492
More than 5 years	**11,916**	16,844
Total payments	**29,157**	32,813

12 Fixed asset investments

	Shares in group undertaking £000	**Total £000**
Net book value		
At 1 April 2024	463	463
Impairment	(463)	**(463)**
At 31 March 2025	**-**	**-**

Subsidiaries of the company at the year end are as follows:

Name of subsidiary	**Country of incorporation**	**Registered office address**	**Principal activity**	**Class and percentage of shares held**
Peter Thomas & Co (Refurbishing) Limited	England	Logistics House, Buckshaw Avenue, Chorley, Lancashire, PR6 7AJ	Dormant	100% Ordinary £1 shares

The trade and assets of Peter Thomas & Co (Refurbishing) Limited have been fully hived up on 1 April 2024 and therefore the value of the investment has been impaired to nil as there is no longer any value within the company.

Notes to the financial statements *(continued)*

13 Stocks

	2025	2024
	£000	£000
Finished goods and goods for resale	**16,903**	15,952
	16,903	15,952

Stock impairment of £197,000 *(2024: £172,000)* has been made for slow moving stock through the statement of comprehensive income.

14 Debtors

	2025	2024
	£000	£000
Trade debtors	**13,444**	12,359
Amounts owed by group undertakings	**1,707**	2,853
Amounts owed by parent companies	**16,479**	14,375
Other debtors	**1,133**	1,542
Prepayments and accrued income	**15,973**	12,639
	48,736	43,768
Current	**48,685**	43,768
Non-current	**51**	-

Amounts owed by group undertakings are unsecured, have no fixed repayment terms and are repayable on demand
Trade debtors are net of impairment provision of £441 (2024: £168)

15 Assets held for sale

	2025	2024
	£000	£000
Fixed assets held for sale	**-**	255
	-	255

Assets held for sale in the prior year relate to a racking system which was sold to TVS Autoserv GmBH, a related party, in September 2024, the sale of these had been agreed at the year-end 31 March 2024.

Notes to the financial statements *(continued)*

16 Creditors: amounts falling due within one year

	2025	2024
	£000	£000
Trade creditors	**23,762**	17,786
Amounts owed to group undertakings	**423**	1,640
Other taxes and social security	**2,662**	3,452
Other creditors	**3,216**	3,293
Accruals and deferred income	**13,091**	14,989
Lease liability	**2,990**	2,184
Borrowings (note 17)	**10,000**	10,000
	56,144	53,344

17 Creditors: amounts falling due greater than one year

	2025	2024
	£000	£000
Lease liability	**20,096**	21,556
	20,096	21,556

Notes to the financial statements *(continued)*

18 Loans and other borrowing

	2025	2024
	£000	£000
Secured bank loans	**10,000**	10,000
	10,000	10,000

Covenants

As per the facility agreement with the Banks, the Company is subject to a number of financial covenants in relation to its borrowing which, if breached, would result in its loans becoming immediately repayable.

Terms and debt repayment schedule – current year facilities

Group loan facility

The Group entered a new facilities agreement on 11 March 2024. The facility consists of a Revolving Credit Facility. The facility is drawn down by TVS Logistics Investment UK Limited, TVS Supply Chain Solutions Limited and Rico Logistics and lent to group companies as required.

Revolving Credit Facility (RCF): GBP RCF from the consortium loan arrangement (DBS Bank, Standard Chartered Bank, Axis Bank and HDFC Bank) availed by TVS Logistics Investments UK Limited and its subsidiaries is secured by a charge on its other assets and is also secured by guarantee provided by TVS Supply Chain Solutions Limited. The facility borrowings bear a variable interest rate of 2.25% + 1 month SONIA for facility A and 1.75%. + 1 month SONIA for facility B.

The revolving credit facility is repayable by March 2026 and the credit facility is expected to be renewed by the entity once it is expired.

The Secured bank loans are net of transaction costs released over the life of the loan. The total loan repayable at the year-end was £10,000,000 (2024: nil).

19 Provisions for liabilities after more than one year

	Dilapidations provision	**Deferred taxation**	**Total**
	£000	**£000**	**£000**
At 31 March 2024	1,316	(1,670)	(354)
Created	311	-	311
Released	-	523	523
At 31 March 2025	**1,627**	**(1,147)**	**480**

Provision for liabilities	**1,627**
Deferred tax (asset)/liability	**(1,147)**

The dilapidation provision comprises of provisions for dilapidations at sites with operating lease holdings. These provisions are expected to be utilised at the end of the operating leases. These have been recognised under IFRS16 which recognises the total associated costs to the end of the contract whereas UK GAAP previously recognised an annual charge to build up the liability.

Notes to the financial statements *(continued)*

19 Provisions for liabilities *(continued)*

The elements of deferred taxation are as follows:

	2025 £000	2024 £000
Difference between accumulated depreciation and amortisation and capital allowances	**751**	430
Timing difference of sale and leaseback treatment for the period	**(1,898)**	(2,100)
Deferred tax (asset)	**(1,147)**	(1,670)

Movement in deferred tax during the year:

	1 April 2024 £000	Recognised in income £000	**31 March 2025 £000**
Difference between accumulated depreciation and amortisation and capital allowances	**430**	321	**751**
Timing difference of sale and leaseback under IFRS16 for the period	**(2,100)**	202	**(1,898)**
	(1,670)	523	**(1,147)**

Movement in deferred tax during the prior year:

	1 April 2023 £000	Recognised in income £000	31 March 2024 £000
Difference between accumulated depreciation and amortisation and capital allowances	149	281	430
Timing difference of sale and leaseback for the period	(2,257)	157	(2,100)
	(2,108)	438	(1,670)

20 Share capital and reserves

	2025 £000	2024 £000
Allotted, called up and fully paid		
200 Ordinary shares of £0.01 each	**-**	-

Reserves of the Company represent retained earnings, being cumulative comprehensive income net of distributions to owners.

Notes to the financial statements *(continued)*

21 Financial Instruments

The fair values of all financial assets and financial liabilities by class together with their carrying amounts shown in the balance sheet are as follows:

Year ending 31 March 2025	**Fair value through P&L £000**	**Amortised cost £000**	**Total £000**
Financial assets at fair value	-	-	-
Financial assets not at fair value	-	54,008	54,008
Financial liabilities at fair value	-	-	-
Financial liabilities not at fair value	-	(59,625)	(59,625)
Total	**-**	**(5,617)**	**(5,617)**

Year ending 31 March 2024	**Fair value through P&L £000**	**Amortised cost £000**	**Total £000**
Financial assets at fair value	-	-	-
Financial assets not at fair value	-	52,416	52.416
Financial liabilities at fair value	-	-	-
Financial liabilities not at fair value	-	(55,708)	(55,708)
Total	**-**	**(3,292)**	**(3,292)**

22 Capital commitments

Capital commitments at the end of the financial year for which no provision has been made, are as follows:

	2025 £000	2024 £000
Commitments for the acquisition of machinery	**-**	-

23 Pension schemes

The Company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the Company to the scheme and amounted to £2,090,000 *(2024: £*1,770,000*)*.

There were outstanding contributions at the end of the year of £375,602 *(2024: £*337,571*)*.

Notes to the financial statements *(continued)*

24 Related party disclosures

The Company has taken advantage of the exemption under FRS 101 paragraph 8(k) not to disclose information about transactions entered into between two or more members of the group where any subsidiary which is a party to the transactions is wholly owned by such a member.

25 Accounting estimates and judgements

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed.

The Company's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the total tax charge necessarily involves a degree of estimation and judgement in respect of certain items.

Provisions have been made for dilapidations and stock. These provisions are estimates and the actual costs and timing of future cash flows are dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period when such determination is made.

The Company cannot readily determine the interest rate implicit in finance leases under IFRS16 as the mechanism differs to the traditional purchase of an asset whereby the Company would borrow funds at a determined rate. Therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The IBR therefore reflects the historic and current borrowing rates of the Group. The Group use TVS Logistics Investments UK Limited to fund the Group's cash requirements. The borrowing rates incurred by TVS Logistics Investments UK Limited have therefore been used unilaterally across the group.

Changes to lease payments have been estimated where there is a percentage increase in the lease contracts. A best estimate is used for inflation based on historic trends in RPI. When actual lease payments are finalised the lease liability and ROU will be remeasured.

26 Ultimate parent company and ultimate controlling party

The Company is a subsidiary undertaking of TVS Supply Chain Solutions Limited, incorporated in India, which is the ultimate parent company and ultimate controlling party.

The Company is controlled by TVS Logistics Investment UK Limited, the immediate parent company.

The largest group in which the results of the Company are consolidated is that headed by TVS Supply Chain Solutions Limited, incorporated in India. The consolidated financial statements of this group are available to the public from the Ministry of Corporate Affairs, India. The smallest group in which they are consolidated is that headed by TVS Logistics Investment UK Limited, incorporated in England and Wales. The consolidated financial statements of this group are available to the public and may be obtained from Companies House, Crown Way, Cardiff

TVS SCS IFM LIMITED

FY 2024-25

REGISTERED NUMBER: 02869014 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS

AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

FOR

TVS SCS IFM LIMITED
(FORMERLY RICO LOGISTICS LIMITED)

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FOR THE YEAR ENDED 31 MARCH 2025

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COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2025

DIRECTORS:	Mr R Viswanathan Mr N Seshadri Mr J R Croyden Mr V Ramani
REGISTERED OFFICE:	Logistics House Buckshaw Avenue Chorley PR6 7AJ
REGISTERED NUMBER:	02869014 (England and Wales)
AUDITORS:	PBG Associates Ltd Chartered Accountants and Statutory Auditors 65 Delamere Road Hayes UB4 0NN United Kingdom
BANKERS:	NatWest 118 High Street Slough Berkshire SL1 1JH Barclays Plc Leicester Leicestershire LE87 2BB

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Directors present their strategic report of the Company for the year ended 31 March 2025.

Review of business

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

During the period, the company issued 2,180,748 Ordinary shares of £1 each to TVS Logistics Investment UK Limited for a cash consideration.

For the current year, the loss before taxation was £10,902,859 (Loss before tax 2024: £34,165,666) on which there as a taxation income/(charge) of £572,704 (2024: (£781,290)). At the year end the Company had shareholders' funds of £3,454,736 (2024: £11,604,143) and retained earnings deficit of £23,779,924 (2024: £13,449,769).

The Company's presence in and commitment to the UK was instrumental to securing new major contracts with customers in the pharmaceutical and utilities sectors and renewed several contracts across the international customer base.

Price increase was the focus in the current financial year with all customers having price increases implemented. The business did not suffer any major customer loss due to price increase drive during the year. The Company will continue to implement price increases in the following financials years and the full benefit is expected to be visible over the coming financial periods.

Several costs saving initiatives are being undertaken to reduce the cost base and improve the profitability. External consultants were appointed to assess the cost saving measures initiated which were validated by them. Major cost savings initiatives were undertaken with respect to premises as well as personnel costs. The full benefit of these cost savings is expected to be visible in financial year 2026.

Due to Brexit, there has been an increase in UK storage costs. This has resulted in increased rental costs due to contract renewals in the last quarter of 2024 and renewals in the first quarter of 2025. However, these cost increases will be more than offset by price increase initiatives as well as new business.

IFM business is being integrated into the European business operations resulting in a wider range of service offerings to customers and increased revenues. Additionally, there are synergies in the cost which are expected to accrue in the next financial year. The full benefit of this integration of business units is expected to be visible from 2026 onwards. Additionally, there are several overhead reduction initiatives undertaken during the 2nd half of financial year 2025 which has started to yield result during the 4th quarter of financial year 2025 with full year impact in the financial year 2026.

Revenues generated outside the UK account for 17% (2024: 16%) of the Company's turnover for the year.

The Directors are confident that the customer price increases and the Company's commercial agility to win, as well as the ability to cross sell the Company's multiple service offerings demonstrates that is it is well positioned to deliver future growth. The Directors believe that the financial position of the Company is satisfactory.

Key performance indicators

The Company considers its key performance indicators (KPIs) to be turnover, operating profit and profit before tax.

Company turnover was £108,020,113 (2024: £109,326,029) for the year a decrease of 1.19% over the previous year because of the exit of some major customers due to cessation of contracts or operational change within the customer process. The Company continued to invest in warehouse automation, systems development, new service offerings and the workforce throughout the year. Reported operating loss of £8,733,100 (2024: £30,158,983 Loss) and a loss before tax of £10,902,859 (2024: £34,165,666).

The Directors are satisfied with how the Company is adjusting to the growing economic headwinds and believe the initiatives to evolve and harmonise working practices and processes alongside investment in service delivery and technology put in place and planned for the following fiscal year position the Company well for returning to profitability.

Principal risks and uncertainties

The principal risks facing the business are similar for all companies within the market in which the Company operates. These risks are the level of competition for new contracts, pressures on pricing and competitive labour markets. The Directors manage these risks by detailed and regular monitoring of turnover and gross margins, as well as regular employee engagement programmes and communications.

The Directors consider that the Company is well placed for future growth. The Company continues to develop business opportunities in new markets and sectors as well as expanding its core service offering.

Wage and fuel inflation lead to higher costs during the second half of the year with further increase anticipated from general inflation. Apart from the global economic consequences, the Ukraine conflict has not had a direct impact on the Company's financial performance. The Company has taken decisive measures to maintain resilience and support sustainable performance. Key actions include targeted cost reduction, improving operating efficiency across all facilities, and leveraging cross-selling opportunities within the wider Group to optimise resources and strengthen revenues. The Directors are confident that the Company is well placed to address a worsening of economic conditions.

Financing

The Company is part of the Group that has a revolving credit facility with Barclays Plc. The facility is drawn down by TVS Logistics Investment UK Limited, TVS Supply Chain Solutions Limited and TVS SCS IFM Limited and lent to group companies as required.

The facility is secured by a charge on its other assets and is also secured by guarantee by TVS Supply Chain Solutions Limited.

The Company's liquidity is regularly analysed and monitored. The Directors are confident about the Company's liquidity. Should it be required, the Company is able to drawdown further funds from its immediate Holding company, TVS Logistics Investment UK Limited. Principle funding is provided by the Ultimate Parent, TVS Supply Chain Solutions Limited (incorporated in India).

Directors' statement of compliance with duty to promote the success of the Company

This statement describes how the Directors have approached their responsibilities under s172 (1)(a) to (f) of the Companies Act 2006 for the year ended 31 March 2025.

The main stakeholders of the business include employees, shareholders, customers, suppliers and lenders.

The Directors consider that they have acted in good faith to promote the success of the Company on behalf of its stakeholders in relation to the matters set out in s172 of the Companies Act 2006.

The Directors monitor and review strategic objectives against long term growth plans. Regular reviews are held across key business areas, including financial performance, risk and opportunities, health and safety, human resources, and operations. The performance of the Company is reviewed regularly at department and board meetings. Decisions are made with thought of likely consequences and all impacts on the business in the long term.

The core principle of the Company is ensuring transparent conduct which reflects fairness in all dealings with employees, customers, and suppliers.

The Company has a policy of equal opportunities in all aspects of employment. Employees are kept informed of matters of concern to them in a variety of ways, including newsletters, email updates, meetings, and verbal communication to staff. These communications help achieve a common awareness among employees regarding the performance of the Company. The Directors understand that it is critical to engage with employees on matters of concern, which evolve to meeting the changing needs of the business. The policy of the Company is to consult, and discussion matters with employees and to resolve any problems in accordance with the relevant procedures and legislation. The consultation includes employee engagement surveys and focus groups.

The Company is committed to an equal opportunities policy in respect of all stakeholders. The Company endeavours to ensure that all stakeholders receive the same standard of service and disabled employees or potential employees are afforded the same treatment and opportunities as other employees or potential employees.

The customers and suppliers are fundamental to the success of the Company. The Company strives to continually improve and strengthen its offering for the mutual benefit of all stakeholders. This is communicated across the Company which has a growing digital presence with all our latest news available on the Group's website https://www.tvsscs.com.

The Directors' intentions are to behave responsibly towards all stakeholders and to treat them fairly and equally to ensure that they all benefit from the success of the Company.

The Directors have overall responsibility for determining the purpose, values and strategy of the Company and for ensuring high standards of governance. The primary aim of the Directors is to promote the long-term sustainable success of the Company, thus generating value for all stakeholders. Regular reporting to the Ultimate Parent of the Group, TVS Supply Chain Solutions Limited (incorporated in India) is undertaken with regards to the Company's performance and contribution to the wider group. The Company closely monitors decisions made and the Directors also participate in meetings with management of the Ultimate Parent. The Directors will continue to review and improve engagement with all stakeholders.

Key decisions during the year	Impact assessment on stakeholders
New service offerings	All new contracts won are an important part of the Company's growth and the Directors have taken consideration that new services deployment are within the Company's core capabilities to prevent/minimise any impact on the stakeholders.

ON BEHALF OF THE BOARD:

..... ……..

Mr J R Croyden - Director **Date**

DIRECTORS REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Directors have pleasure in submitting their report together with the audited financial statements for TVS SCS IFM Limited ("the Company") for the year ended 31 March 2025. TVS SCS IFM Limited ("the Company") is a private Company limited by shares and is domiciled in the UK.

PRINCIPAL ACTIVITY
The principal activity of the Company continued to be that of parts logistics services, the supply of technical services combined with storage and distribution primarily to the IT and associated industries.

The results for the year and the financial position of the Company are as shown in the annexed financial statements.

DIVIDENDS
No dividends will be distributed for the year ended 31 March 2025 (2024: £nil).

DIRECTORS
The Directors shown below have held office during the period from 1 April 2024 to the date of this report.

Mr R Viswanathan	
Mr R V S Bhagavathula	(resigned 15 April 2025)
Mr V Ramani	(appointed 15 April 2025)
Mr J R Croyden	
Mr N Seshadri	

BRANCHES OUTSIDE THE UNITED KINGDOM
The Company has branches outside the United Kingdom in Poland and Italy (inoperative).

BUSINESS RELATIONSHIPS
The Directors recognise the importance of maintaining strong relationships with suppliers, customers, and other stakeholders. During the year, the Company worked closely with key partners to ensure reliable service delivery, high standards of compliance, and customer satisfaction. Regular engagement and feedback have supported principal decisions, strengthened operational resilience, and contributed to sustainable growth.

FINANCIAL INSTRUMENTS
The Company's principal financial instruments during the year comprised cash, bank loans and various non-derivative financial instruments such as trade debtors and trade creditors that arise directly from its operations.

It is and has been throughout the year under review, the Company's policy that no trading in financial instruments be undertaken.

The Company uses financial instruments to manage financial and commercial risk wherever it is appropriate to do so. The main risks arising from the Company's financial instruments are interest rate risk, liquidity/cash flow risk and credit risk.

Interest rate risk:
The Company finances its operations by a mixture of retained profits and bank borrowings. Interest rate risk therefore arises on the bank borrowings.

Currency risk:
The Company does not face significant currency risk since the majority of its operations are UK-based and outside of the UK are done so with natural economics hedge, i.e. buy and sell in the same currency.

Liquidity risk/cash flow risk:
During the year, the Company's policy was to ensure continuity through bank loan and hire purchase funding with short term flexibility.

Credit risk:
Credit risk arises from the possibility of customers and counterparties failing to meet their obligations to the Company. Debtor balances are monitored on an ongoing basis and provision is made for doubtful debts. At the reporting date, debtors which are not impaired are believed to be recoverable.

POLITICAL DONATIONS AND EXPENDITURE
The Company made no political donations during the year (2024: £nil). The Company made no charitable donations during the year (2024: £nil).

ENVIRONMENT
The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by the Company's activities. Initiatives designed to minimise the Company's impact on the environment include improving our energy efficiency, reducing the amount of CO2 emissions by switching from conventional to renewable energy sources, minimising the consumption of water and the production of waste (both hazardous and non-hazardous) and by working to minimise unnecessary travel. The Company is certificated to ISO14001 which requires it to maintain an environmental management system with continuous improvement as a key objective.

Annual Energy Consumption and Greenhouse emissions
The Company has considered the annual Energy consumption and Greenhouse emissions for Utilities, Vehicles, Waste and Consumables. We have obtained the energy consumption for each category considered and used the DEFRA conversion provided by the government to calculate Greenhouse emissions. Utilities suppliers report energy consumption data. Vehicles is calculated by using fuel card data for consumption of fuel. Emissions is considered for passenger vehicles, Vans & HGVs using each vehicles specification. Waste and Consumables (mainly packaging) information is provided directly from the supplier. Considerable work has been carried out over the last 12-24 months to improve reporting methods on purchased consumables across all sites. Significant investment has been made in returnable and reusable packaging in the last financial year resulting in a temporary uplift in figures.

The Company has quantified its emissions which are set out in the table below. The Directors continue their commitment to adopting energy efficient utility infrastructures, sourcing of green energy and promoting energy awareness at the workplace.

Greenhouse gas emissions, energy consumption and energy efficiency

	Year ended 31 March 2025	Year ended 31 March 2024
UK emissions from	***Tonnes CO2***	*Tonnes CO2*
Scope 1 (Direct)	**243**	332
Scope 2 (Energy Indirect)	**462**	479
Scope 3 (Other Indirect)	**158**	176
Total		
UK energy consumed	***kWh***	*kWh*
Electricity	**2,321,626**	2,312,163
Gas combustion	**1,320,462**	1,636,877
Fuel consumption	**678,540**	728,551
Company's Intensity Measurement	***Tonnes***	*Tonnes*
Total CO2 emissions per £'m revenue	**7.50**	6.24
Total CO2 emissions per employee	**1.37**	1.99

Consumption data was determined by using invoices, meter data from suppliers, and estimating fuel usage based on expenditure. Emissions were determined by applying UK Government conversion factors to energy consumption values then aggregating the totals.

Carbon intensity
Where feasible the Company enables office-based employees to work from home, although the extent of WFH has reduced post pandemic. The majority of internal and external meetings switched from face-to-face to video conferencing. These cultural shifts resulted in a significant reduction of commuting and business travel.

Energy efficiency action taken
The Directors continue their commitment to adopting energy efficient utility infrastructures, sourcing of green energy, and promoting energy awareness at the workplace. The Directors are also mindful of the increase of energy usage by employees working from home. Energy consumption and Greenhouse emissions are considered as part of the Company's sustainability.

EMPLOYEES
The Company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information on matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Company's performance.

The directors hold townhall meetings to discuss the company performance, strategic goals and company updates. A Q&A session allows employees to voice their concerns and offer ideas to the leadership. VIBE surveys are conducted, and the senior leadership team dedicate time and resource to understand the results of the VIBE survey, identify areas of improvement, creating a plan every year to focus on and communicate to the workforce. Action plans are developed based on the feedback to address areas for improvement.

The Company offers employees, through its Learning and Development Team, an extended portfolio of training courses to upskill professionally and personally.

Facility improvement – upgrades and refurbishment of workplace areas during the year shows tangible commitment to employee comfort and wellbeing.

The company constantly explore opportunities to engage third parties to extend the benefit schemes to our employees

DISABLED EMPLOYEES
The Company's recruitment policy ensures fair and open recruitment practices which provide equal opportunity to secure employment within the Company – with reasonable adjustments if required. All necessary assistance with initial selection and training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, where possible, for retraining/re-deploying employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

GOING CONCERN

In determining whether the Company's annual financial statements for the year ended 31 March 2025 can be prepared on a going concern basis, the Directors have considered the Company's business activities, together with the factors likely to affect its future development, performance, and position. This review also includes the financial position of the Company and the wider Group (the Group of the Ultimate Parent), their cash flows, liquidity position, and borrowing facilities. The key factors considered by the Directors were as follows:

- The implications of changes to the economic environment on the Company's revenues and profits. The Company and wider Group undertake monthly rolling forecasts for 18 months and a long-range plan for 5 years in addition to 13 weekly projections of cash flows. This allows the Company to target performance and identify areas of focus for management. These forecasts are robust, and the Company has a strong history of accurate forecasting. Stress tests, where the budgeted costs are flexed for the impact of inflation, but revenue sees only 3% growth from financial year ending 31 March 2025, along with increased debtor days increasing the working capital outlay, shows that the Company has cash surplus and does not require any additional support from the Group: and

GOING CONCERN – continued

- Principal risks and uncertainties including winning of new business, retention of key staff, impact of inflation, supply chain risk and foreign exchange; and
- The impact of the competitive environment within which the Company's businesses operate; and
- The potential actions that could be taken in the event that revenues are worse than expected, to ensure that operating profit and cash flows are protected.

The Ultimate Parent, TVS Supply Chain Solutions limited incorporated in India, along with its subsidiaries entered into a new Facilities Agreement dated 11 March 2024 with a consortium of lenders. The revolving credit facility can be used by the subsidiaries to meet working capital requirements. As at 31 August 2025 TVS Supply Chain Solutions Limited is utilising £10,000,000, TVS Logistics Investment UK Limited is utilising £26,537,355 and TVS SCS IFM Logistics (formerly Rico Logistics Limited) is utilising £27,545,925 of the available £91,455,000 revolving credit facility (2024: £91,528,500). There is a parental guarantee available for the repayment of the facility and therefore management do not foresee any impact to operations.

Facility A and Facility B are due for renewal in March 2026. The Company is confident of getting facility B renewed. In the unlikely event of non-renewal, the Ultimate Parent has the ability and is willing to provide the necessary financial support to fund TVS Logistics Investment UK Limited and its subsidiaries till December 2025. In addition, the Ultimate Parent has confirmed that they will not require the repayment of the related intercompany trading balances during the going concern period up to twelve months from date of approval of these financial statements.

The Directors have assessed the level of financial support available from the Ultimate Parent taking into account the Ultimate Parent's financial plan and cash flow forecast up to twelve months from date of approval of these financial statements and are satisfied that sufficient support is available to the Company.

The Directors confirm that, after due consideration they have a reasonable expectation that the Company has adequate resources to continue in business to at least up to twelve months from date of approval of these financial statements. Accordingly, the annual report and financial statements for the year ended 31 March 2025 have been prepared on the going concern basis.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, PBG Associates Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

..... ……..

Mr J R Croyden - Director **Date**

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2025

The Directors are responsible for preparing the Annual Report, Strategic Report, the Directors' Report and the company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare the company financial statements for each financial year. Under that law they have elected to prepare the company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of their profit or loss for that period. In preparing each of the company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the company financial statements, state whether they have been prepared in accordance with accordance with UK adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 and applicable law;
- for the company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Opinion

We have audited the financial statements of TVS SCS IFM LIMITED for the year ended 31 March 2025 which comprise Statement of Profit and loss and Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes to the financial statements including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 “Reduced Disclosure Framework” (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- give a true and fair view of the company’s affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The financial statements of previous year were audited by another auditor who expressed an unmodified opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company’s ability to continue as a going concern for the period to up to twelve months from date of approval of these financial statements.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company’s ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.
We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

-We obtained a general understanding of the legal and regulatory frameworks that are applicable to the company and determined that there are no significant laws and regulations except for company's legislation and the financial reporting framework (FRS 101 and Companies Act 2006). We obtained a general understanding of how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance matters of the Company.

-The Company's principal activity was that of parts logistics services, the supply of technical services combined with storage and distribution primarily to the IT and associated industries. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.

-Enquiries with the management concerning any actual or potential litigation or claims; inspection of relevant legal correspondence if any; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Devender Arora FCA (Senior Statutory Auditor)
for and on behalf of PBG Associates Limited
Chartered Accountants and Statutory Auditors
65 Delamere Road
Hayes, Middlesex
UB4 0NN

Date:

STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

	2025 £'000	2024 £'000
CONTINUING OPERATIONS		
Turnover	**108,020**	109,326
Cost of sales	**(92,188)**	(88,858)
GROSS PROFIT	**15,832**	20,468
Administrative expenses	**(24,565)**	(50,627)
OPERATING LOSS	**(8,733)**	(30,159)
Interest payable and similar charges	**(3,518)**	(4,018)
Interest receivable and similar income	**1,348**	11
LOSS BEFORE TAXATION	**(10,903)**	(34,166)
Tax on loss	**573**	781
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR	**(10,330)**	(33,385)

The statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

The notes on pages 17 to 42 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
31 MARCH 2025

	Notes	2025 £'000	2024 £'000
FIXED ASSETS			
Goodwill	9	**102**	102
Intangible assets	10	**1,592**	1,224
Intangible assets work in progress	10	**-**	499
Tangible assets	11	**4,296**	4,451
Right-of-use Tangible assets	12	**11,633**	13,360
Investments	13	**15,218**	15,218
Other non-current assets	15	**178**	181
		33,019	35,035
CURRENT ASSETS			
Inventories	14	**181**	658
Debtors	15	**62,484**	56,880
Cash at bank		**680**	1,849
		63,345	59,387
CREDITORS			
Amounts falling due within one year	16	**(81,256)**	(69,916)
NET CURRENT LIABILITIES		**(17,911)**	(10,529)
TOTAL ASSETS LESS CURRENT LIABILITIES		**15,108**	24,506
CREDITORS			
Amounts falling due after more than one year	17	**(11,653)**	(12,902)
NET ASSETS		**3,455**	11,604
CAPITAL AND RESERVES			
Called up share capital	18	**27,235**	25,054
Profit and Loss account	19	**(23,780)**	(13,450)
SHAREHOLDERS' FUNDS		**3,455**	11,604

The notes on pages 17 to 42 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on ..... and were signed on its behalf by:

.....
Mr J R Croyden - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 April 2023	54	20,008	20,062
Changes in equity			
Total comprehensive (loss)	-	(33,384)	(33,384)
Translation reserve	-	(74)	(74)
Increase in equity	25,000	-	25,000
Balance at 31 March 2024	**25,054**	**(13,450)**	**11,604**
Changes in equity			
Total comprehensive (loss)	**-**	**(10,330)**	**(10,330)**
Increase in equity	**2,181**	**-**	**2,181**
Balance at 31 March 2025	**27,235**	**(23,780)**	**3,455**

The notes to accounts form an integral part of these financial statements.

1. STATUTORY INFORMATION

TVS SCS IFM Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

TVS SCS IFM Limited ("the Company") is a limited company domiciled and incorporated in England.

The address of the Company's registered office and place of business is Logistics House, Buckshaw Avenue, Chorley PR6 7AJ.

The principal activity of the Company during the year is described in the directors' report.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Company financial statements.

2. ACCOUNTING POLICIES

Basis of preparation

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (“FRS 101”). The presentation currency of these financial statements is sterling.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards in conformity with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The Company presents an additional disclosure of any restatement to prior period financial statements due to the impact of new accounting standards.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Statement of Cash Flows and related disclosures for cash flows from discontinued activities,
- Certain disclosures required under IFRS 15 Revenue from Contracts with Customers, including disaggregation of revenue, details of changes in contract assets and liabilities, and details of incomplete performance obligations
- Additional comparative information as per IAS 1 Presentation of Financial Statements paragraph 38 in respect of:
  -a reconciliation of the number of shares outstanding at the start and end of the prior period; and
  -reconciliations of the carrying amounts of property, plant and equipment, right of use assets, intangibles assets and investment property at the start and the end of the prior period,
- Related party transactions with two or more wholly owned members of the group,
- Disclosures in relation to the objectives, policies and process for managing capital,
- Disclosure of the effect of future accounting standards not yet adopted,
- Disclosures of transactions with a management entity that provides key management personnel Services to the Company.
- The remuneration of key management personnel,
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy; and

2. **ACCOUNTING POLICIES - continued**

- The maturity analysis of lease liabilities, as required by paragraph 58 of IFRS 16 Leases, has not been disclosed separately as details of indebtedness required by Companies Act has been presented separately for lease liabilities.

As the consolidated financial statements of TVS Supply Chain Solutions Limited (incorporated in India) include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IAS 36 *Impairment of assets* in respect of the impairment of goodwill
- Certain disclosures required by IFRS 3 *Business Combinations* in respect of business combinations undertaken by the Company in prior periods including the comparative period reconciliation for goodwill; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures.*
- Disclosures relating to IFRS 2 Share-based Payment as the arrangement relates to equity instruments in the ultimate parent entity

The following new standards, interpretations and amendments are effective for the period beginning 1 January 2024:

- Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7),
- Lease liability in a Sale and Leaseback (Amendments to IFRS16),
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1), and
- Non-Current Liabilities with Covenants 9Amendments IAS 1).

The Company proposes to continue to adopt the reduced disclosure framework of FRS101 in its next financial statements.
The accounting policies set out below have, unless otherwise stated been applied consistently to all periods presented in these financial statements.

Functional and presentation currency
The Company's functional currency is GBP and the financial statements are presented rounded to the nearest £1,000.

Basis of measurement
The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: financial instruments classified as fair value through the profit or loss.

Use of estimates and judgements
In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and Estimates
Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed.

2. **ACCOUNTING POLICIES - continued**

The Company performs impairment reviews of Intangible Assets. Future cash generation is estimated based on assumptions of revenue and cost development and working capital requirements. The reviews are subjective to sensitivity scenarios to stress test the forecasts. Any differences between carrying amounts and the discounted future expected cash flows are charged off to the profit and loss account. The actual recoverable amounts may differ from the estimated levels and could impact future operating results

The Company's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the total tax charge necessarily involves a degree of estimation and judgement in respect of certain items. The final outcome of some of these items may give rise to profit and loss and/or cash flow variances.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment during the year is included wherever necessary.

Revenue recognition
Revenue is recognised at the fair value of the consideration received or receivable for sale of goods and services to external customers in the ordinary nature of the business in accordance with IFRS15. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Revenue is shown net of Value Added Tax. Revenue is recognised once goods have been despatched or services provided and is representative of the Company fulfilling its contractual performance obligations with regards to activities performed under each contractual arrangement.

Contracts contain various performance obligations, for which each distinctive performance obligation is separately identified. At inception, consideration is assigned to each performance obligation on the basis of the stand-alone selling price. Contracts include both variable and fixed consideration which the Company invoices on a monthly basis after assessing the delivery of each performance obligation. Any contingent consideration is recognised when it is highly probable the Company will receive the consideration and the value can be reliably measured.

Tangible assets
Recognition and measurement:
Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

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.

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 reducing balance method and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

2. **ACCOUNTING POLICIES - continued**

Leasehold improvements are amortised on a straight-line basis over the useful life of the asset or the lease period whichever is lower.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets and are different from those prescribed in Schedule II of the Act.

Depreciation is provided on a pro-rata basis i.e. from (up to) the date on which the asset is ready for use (disposed of) at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	Over lease term
Vehicles	20% straight line
Fixtures, fittings and equipment	10% straight line
Computer equipment	20% straight line

Goodwill and other intangibles

Goodwill:
Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated equity accounted investees. Goodwill is not amortised but is tested annually for impairment, with the impairment review being completed as a single cash generating unit.

Research and development:
Expenditure on research activities is recognised in the income statement as an expense as incurred.

Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Company intends to and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve a plan or design for the production of new or substantially improved products or processes.

Other intangible assets:
Other intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation:
Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use.

The estimated useful lives are as follows:

Computer software	10 Years

Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

2. **ACCOUNTING POLICIES - continued**

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification of financial instruments

Financial assets

Trade receivables, loans and other receivables that have fixed or determinable payments, and which are not quoted in an active market, are classified as 'loans and receivables' Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses ("ECL's").

Financial assets are assessed for indicators of credit losses at each reporting date. A financial asset is 'credit impaired' where there is objective evidence that, as a result of one of more events that occurred after initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

ECL's are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Company considers a financial asset to be in default when:
- the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Financial assets are derecognised only when the contractual rights to cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and

(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

2. **ACCOUNTING POLICIES - continued**

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Basic financial liabilities, including trade, and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities, including borrowings, are initially measured at the transaction price, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Interest-bearing borrowings:
Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less any provision for losses arising on impairment.
Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid

Stock
Stocks are stated at the lower of cost and net releasable value. Cost is based on the standard cost principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. Work in progress and finished goods include labour and attributable overheads. Provisions for impairment are made immediately upon recognition.

Dividends payable
Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when they are paid. In the case of final dividends, this is when approved by the shareholders at the AGM.

Provisions
Provisions are recognised when the Company has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2. **ACCOUNTING POLICIES - continued**

Provisions for dilapidation costs are recognised on a lease-by-lease basis taking into account the potential that the properties in question may be sublet for some or all of the remaining lease term.

Taxation
Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2. **ACCOUNTING POLICIES - continued**

Fair value measurement

A number of financial assets and financial liabilities of the company financial statements require measurement at fair value.
The fair value measurement of the company's financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

• Level 1: Quoted prices in active markets for identical items (unadjusted)
• Level 2: Observable direct or indirect inputs other than Level 1 inputs
• Level 3: Unobservable inputs (i.e. not derived from market data).
The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item.
Transfers of items between levels are recognised in the period they occur.

Foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in OCI:
- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective
- qualifying cash flow hedges to the extent that the hedges are effective.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The Right of use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option.

In addition, the Right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

2. **ACCOUNTING POLICIES - continued**

Incremental borrowing rate is considered to be as follows based on the Company's current access to borrowing:

- All leases that are less than 5 years - 4.5% discount rate
- All leases that are more than 5 years - 7% discount rate

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company has elected to apply the practical expedient not to recognise Right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Employee benefits

Short-term benefits:

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Share-based payments

The company operates a share-based compensation plan whereby employees are awarded equity settled share options by the parent company for services provided to this company. The company has no obligation to settle the awards.
The fair value of the options at the date of grant is charged to profit or loss over the vesting period with a corresponding entry in retained earnings. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.
Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive income over the remaining vesting period.

2. **ACCOUNTING POLICIES – continued**

Contingent liabilities

Contingent liability is disclosed for all:

- possible obligation that arises from past events and whose existence will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)
- present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Company discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

Impairment of non-financial assets

Financial assets (including receivables):
Financial assets are assessed for indicators of credit losses at each reporting date. A financial asset is 'credit impaired' where there is objective evidence that, as a result of one of more event that occurred after initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

ECL's are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Company has considered the credit risk on amounts owed from group undertakings and this is considered to be extremely low risk on the basis that there have been no recent credit losses on such balances. Therefore, the ECL model has not been applied to such balances.

Financial assets are derecognised only when the contractual rights to cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Non-financial assets:
The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

2. **ACCOUNTING POLICIES - continued**

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

The Company evaluates the collectability of trade debtors and records provisions for doubtful debts based on a combination of the relative age of the debt and the debtors financial standing along with consideration being made of the actual write-off history. The actual level of debt collected may differ from the estimated levels of recovery and could impact future operating results positively or negatively.

The Company's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the total tax charge necessarily involves a degree of estimation and judgement in respect of certain items. The final outcome of some of these items may give rise to profit and loss and/or cash flow variances.

Where provisions have been made for dilapidations, these are estimates and the actual costs and timing of future cash flows are dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period when such determination is made.

The Company performs impairment reviews of Intangible Assets. Future cash generation is estimated based on assumptions of revenue and cost development and working capital requirements. The reviews are subjective to sensitivity scenarios to stress test the forecasts.

Assumptions and estimation uncertainties
Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment during the year is included wherever necessary.

2. **ACCOUNTING POLICIES - continued**

Going concern

In determining whether the Company's annual financial statements for the year ended 31 March 2025 can be prepared on a going concern basis, the Directors have considered the Company's business activities, together with the factors likely to affect its future development, performance, and position. This review also includes the financial position of the Company and the wider Group (the Group of the Ultimate Parent), their cash flows, liquidity position, and borrowing facilities. The key factors considered by the Directors were as follows:

- The implications of changes to the economic environment on the Company's revenues and profits. The Company and wider Group undertake monthly rolling forecasts for 18 months and a long-range plan for 5 years in addition to 13 weekly projections of cash flows. This allows the Company to target performance and identify areas of focus for management. These forecasts are robust, and the Company has a strong history of accurate forecasting. Stress tests, where the budgeted costs are flexed for the impact of inflation, but revenue sees only 3% growth from financial year ending 31 March 2025, along with increased debtor days increasing the working capital outlay, shows that the Company has cash surplus and does not require any additional support from the Group: and
- Principal risks and uncertainties including winning of new business, retention of key staff, impact of inflation, supply chain risk and foreign exchange; and
- The impact of the competitive environment within which the Company's businesses operate; and
- The potential actions that could be taken in the event that revenues are worse than expected, to ensure that operating profit and cash flows are protected.

The Ultimate Parent, TVS Supply Chain Solutions limited incorporated in India, along with its subsidiaries entered into a new Facilities Agreement dated 11 March 2024 with a consortium of lenders. The revolving credit facility can be used by the subsidiaries to meet working capital requirements. As at 31 August 2025 TVS Supply Chain Solutions Limited is utilising £10,000,000, TVS Logistics Investment UK Limited is utilising £26,537,355 and TVS SCS IFM Logistics (formerly Rico Logistics Limited) is utilising £27,545,925 of the available £91,528,500 revolving credit facility (2024: £62,328,597). There is a parental guarantee available for the repayment of the facility and therefore management do not foresee any impact to operations.

Facility A and Facility B are due for renewal in March 2026. The Company is confident of getting facility B renewed. In the unlikely event of non-renewal, the Ultimate Parent has the ability and is willing to provide the necessary financial support to fund TVS Logistics Investment UK Limited and its subsidiaries till December 2025. In addition, the Ultimate Parent has confirmed that they will not require the repayment of the related intercompany trading balances during the going concern period to up to twelve months from date of approval of these financial statements.

The Directors have assessed the level of financial support available from the Ultimate Parent taking into account the Ultimate Parent's financial plan and cash flow forecast in the period up to twelve months from date of approval of these financial statements and are satisfied that sufficient support is available to the Company.

The Directors confirm that, after due consideration they have a reasonable expectation that the Company has adequate resources to continue in business to at least up to twelve months from date of approval of these financial statements. Accordingly, the annual report and financial statements for the year ended 31 March 2025 have been prepared on the going concern basis.

2. **ACCOUNTING POLICIES - continued**

Exemption from preparation of Consolidated Financial Statements
The Company is a wholly owned subsidiary of TVS Logistics Investment UK Limited. It is included in the consolidated financial statements of TVS Logistics Investment UK Limited which are publicly available. Therefore, the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. The address of the parent's registered office is Logistics House, Buckshaw Avenue, Chorley, Lancashire, PR6 7AJ.

New standards, interpretations and amendments adopted from 1 January 2024
The following amendments are effective for the period beginning 1 January 2024:
• Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7);
• Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);
• Classification of Liabilities as Current or Non-Current (Amendments to IAS 1); and
• Non-current Liabilities with Covenants (Amendments to IAS 1).

None of these amendments had any impact on the company.

3. **REVENUE**

Analysis of revenue

	2025	2024
	£'000	£'000
Sale of services	**108,020**	109,326
By geographical market:		
UK	**89,695**	92,310
Rest of World	**18,325**	17,016
	108,020	109,326

4. EMPLOYEES AND DIRECTORS

	2025	2024
	£'000	£'000
Wages and salaries	**21,438**	23,619
Social security costs	**2,127**	2,391
Other pension costs	**499**	502
	24,064	26,512

The average number of employees during the year was as follows:

	2025	2024
Directors	**1**	3
Sales and administration	**246**	278
Operations	**640**	649
	887	930

	2025	2024
	£'000	£'000
Total Director's remuneration	**216**	324
Director's pension contributions to money purchase schemes	**16**	19

	2025	2024
	£'000	£'000
Highest Director's remuneration	**216**	183
Director's pension contributions to money purchase schemes	**16**	15
Share Based Payments for Directors Remuneration	**-**	61

Certain directors who served during the year are also directors of the Ultimate Parent Company or a fellow Group Company and are remunerated by those companies. Although they do receive remuneration in respect of their services to various Group companies, including this Company, it is not practicable to allocate their remuneration to individual companies in the Group. Therefore, their remuneration has been disclosed in the accounts of the relevant company from which remuneration is received.

5. NET FINANCE COSTS

	2025	2024
	£'000	£'000
Interest receivable and similar income:		
Bank interest	**2**	11
Interest receivable on group funding arrangements	**1,346**	-
	1,348	11
Interest payable and similar charges:		
Interest on bank loans and overdrafts	**1,585**	-
Interest payable to group undertakings	**610**	3,117
Bank and other charges	**420**	145
Interest charged on lease liabilities	**903**	756
	3,518	4,018
Net finance costs	**2,170**	4,007

6. LOSS BEFORE TAXATION

The loss before taxation is stated after charging/(crediting):

	2025	2024
	£'000	£'000
Cost of inventories recognised as expense	**9**	27
Amortisation of intangibles	**403**	326
Depreciation - owned assets	**912**	746
Depreciation - right of use assets	**2,363**	2,578
Loss on disposal of fixed assets	**-**	1

7. AUDITOR'S REMUNERATION

	2025 £'000	2024 £'000
Audit of these financial statements	**24**	69

8. INCOME TAX

Analysis of tax expense

	2025 £'000	2024 £'000
Current tax expense:		
Current year tax on profits	**(579)**	(897)
Adjustments for prior years	**6**	38
Total tax expense	**(573)**	(859)
Deferred tax	**-**	78
Total tax (credit)/expense in consolidated statement of profit or loss	**(573)**	(781)

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for 2025 and 2024.

	2025 £'000	2024 £'000
Loss before income tax	**(10,903)**	(34,166)
Loss multiplied by the standard rate of corporation tax in the UK of 25% (2024 - 25%)	**(2,726)**	(8,541)
Effects of:		
Non-deductible expenditure	**(26)**	865
Timing differences	**(157)**	112
Unrecognised tax losses carried forward (net)	**2,330**	6,667
Foreign branch tax	**-**	-
Prior periods tax charge	**6**	38
Other timing differences	**-**	78
Tax expense	**(573)**	(781)

9. **GOODWILL**

	£'000
COST	
At 1 April 2024 and 31 March 2025	**398**
AMORTISATION	
At 1 April 2024	296
At 31 March 2025	**296**
NET BOOK VALUE	
At 31 March 2025	**102**
At 31 March 2024	102

10. **INTANGIBLE ASSETS**

	COMPUTER SOFTWARE £'000
COST	
At 1 April 2024	**4,187**
Additions	**771**
At 31 March 2025	**4,958**
DEPRECIATION	
At 1 April 2024	**2,963**
Charge for year	**403**
At 31 March 2025	**3,366**
NET BOOK VALUE	
At 31 March 2025	**1,592**
At 31 March 2024	1,224

The intangible asset addition of £771,000 is made up of manpower costs for the development of the Service to Bill (S2B) application capitalised during the year (2024 work in progress £499,000).

11. TANGIBLE ASSETS

	Improvements to leasehold property	Vehicles	Fixtures and fittings	Computer equipment	Totals
	£'000	£'000	£'000	£'000	£'000
COST					
At 1 April 2024	2,953	375	5,815	2,513	11,656
Additions	259	-	386	112	757
At 31 March 2025	**3,212**	**375**	**6,201**	**2,625**	**12,413**
DEPRECIATION					
At 1 April 2024	684	125	4,768	1,628	7,205
Charge for year	227	75	318	292	912
At 31 March 2025	**911**	**200**	**5,086**	**1,920**	**8,117**
NET BOOK VALUE					
At 31 March 2025	**2,301**	**175**	**1,115**	**705**	**4,296**
At 31 March 2024	2,269	250	1,047	885	4,451

12. RIGHT OF USE ASSETS

	Building £'000
COST	
At 1 April 2024	**30,142**
Additions	**636**
At 31 March 2025	**30,778**
DEPRECIATION	
At 1 April 2024	**16,782**
Charge for year	**2,363**
At 31 March 2025	**19,145**
NET BOOK VALUE	
At 31 March 2025	**11,633**
At 31 March 2024	13,360

The carrying amounts of Right of use assets recognised and the movements during the period are set out in the table above.

13. **INVESTMENTS IN SUBSDIARIES**

Cost	**2025 £'000**	2024 £'000
At 1 April	**15,218**	13,926
Additions	**-**	1,292
Disposals	**-**	-
At 31 Mar	**15,218**	15,218

The companies in which the Company's interest is more than 20% Ordinary shares are as follows:

Name of Subsidiary	**Registered Address**	**Country of incorporation**	**Ownership Interest**
SPC International Limited	Unit 4, Kennet House, Quay, Waterside Drive, Langley, Slough SL3 6EY	UK	100%
Triage Holdings Limited **	Unit 4, Kennet House, Quay, Waterside Drive, Langley, Slough SL3 6EY	UK	100%
Tri-Tec Computer Support Limited **	Unit 5/7, Coastal Warehouse, 83 Dargain Road, Belfast, BT3 9JU	Northern Ireland	100%
Ricochet Spain	C/Islandia, 10 28821 Coslada Madrid	Spain	100%
Rico Logistique France	Unit A1-B2, Batiment 14, Z.I Garonor, 93600 Aulnay Sous Bios, Paris	France	100%
Rico Logistics Pty Limited	Unit 2, Block V Regents Park Ind Est 391 Park Road, NSW 2143	Australia	100%
TVS SCS Rico Italia	Viale Andrea Doria 48/A – 20124 Milano (MI)	Italy	100%

13. **INVESTMENTS IN SUBSDIARIES - CONTINUED**

Name of Subsidiary	Registered Address	Country of incorporation	Ownership Interest
Step-down subsidiaries:			
Pitcomp 171 Limited ***	1st Floor, Beasley Court, 3 Warwick Place, Uxbridge, Middlesex UB8 1PE	UK	Dissolved
SPC EBT Trustees Limited ***	1st Floor, Beasley Court, 3 Warwick Place, Uxbridge, Middlesex UB8 1PE	UK	Dissolved
SPC International Inc	4777 Aviation Parkway Suite H Atlanta, GA 30349	USA	100%
Tri-Tec Support Limited	Unit 6B Westgate Business Park Ballymount, Dublin	Ireland	100%
SPC International SRO	Obchodná 15 (4915, 921 01 Piešťany, Slovakia	Slovakia	100%
Triage Service Limited	Unit 4, Kennet House, Quay, Waterside Drive, Langley, Slough SL3 6EY	UK	100%
SPC Intl. (Engineering) Limited ***	1st Floor, Beasley Court, 3 Warwick Place, Uxbridge, Middlesex UB8 1PE	UK	Dissolved
Eltec IT Services S.L.U	Calle Marie Curie, 19; 28521 Rivas Vacia Madrid	Spain	100%
OrderLogic Ltd ***	Unit 4, Kennet House, Quay, Waterside Drive, Langley, Slough SL3 6EY	UK	Dissolved

Companies denoted with ** are holding companies. Companies denoted with *** were dissolved during the financial year. All other companies are trading entities.

There were no acquisitions during the financial year.

13. **INVESTMENTS IN SUBSDIARIES - CONTINUED**

Name of Subsidiary	**Net Worth £'000**	**Profit/(Loss) for the year £'000**	Net Worth £'000	Profit/(Loss) for the year £'000
	2025		2024	
SPC International Limited	**4,983**	**876**	4,107	231
Triage Holdings Limited **	**2,408**	**-**	2,408	-
Tri-Tec Computer Support Limited **	**10**	**-**	10	-
Ricochet Spain	**4,624**	**133**	5,021	(225)
Rico Logistique France	**653**	**716**	124	1,304
Rico Logistics Pty Limited	**564**	**(158)**	811	(592)
TVS SCS Rico Italia	**1,719**	**74**	1,581	335
Step-down subsidiaries:				
Pitcomp 171 Limited ***	**-**	**-**	-	-
SPC EBT Trustees Limited ***	**-**	**-**	-	-
SPC International Inc	**17**	**489**	-	-
Tri-Tec Support Limited	**1,363**	**(219)**	1,643	5
SPC International SRO	**3,983**	**651**	3,430	724
Triage Service Limited	**798**	**(5)**	802	219
SPC International (Engineering) Limited ***	**-**	**-**	-	-
Eltec IT Services S.L.U	**(8,517)**	**(501)**	(8,584)	(327)
Order Logic Ltd ***	-	-	-	-

Companies denoted with ** are holding companies. Companies denoted with *** were dissolved during the financial year. All other companies are trading entities.

There were no acquisitions during the financial year.

14. **INVENTORIES**

	2025 £'000	2024 £'000
Finished goods	**181**	658
	181	658

15. DEBTORS

	2025	2024
	£'000	£'000
Current:		
Trade debtors	**21,039**	16,779
Other debtors	**1,547**	2,088
Amounts owed by group undertakings	**33,468**	30,268
Prepayments and accrued income	**6,430**	7,745
	62,484	56,880
Non-current:		
Other debtors	**178**	181
Aggregate amounts	**62,662**	57,061

Trade debtors are net of provisions for impairment of £718,000 (2024: £703,000).

Trade debtors include amount owed by group undertakings of £9,345,000 (2024: £4,816,000)

Amounts owed by group undertakings are unsecured and repayable on demand.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£'000	£'000
Trade creditors	**12,266**	13,777
Amounts owed to group undertakings	**24,471**	18,680
Social security and other taxes	**970**	578
Corporation tax	**120**	120
Other creditors	**9**	49
Accruals and deferred income	**16,453**	14,400
Leases	**1,921**	2,312
Loans and borrowings *	**25,046**	20,000
	81,256	69,916

Working capital borrowing from Group is attracting Interest at 7.30% p.a. Amounts owed to group undertakings are unsecured and repayable on demand.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - CONTINUED

* Covenants

As per the facility agreement with the Banks, the Company is subject to a number of financial covenants in relation to its borrowing which, if breached, would result in its loans becoming immediately repayable.

Terms and debt repayment schedule – current year facilities

Group loan facility:

The Group entered a new facilities agreement on 11 March 2024. The facility consists of a Revolving Credit Facility. The facility is drawn down by TVS Logistics Investment UK Limited, TVS Supply Chain Solutions Limited and Rico Logistics and lent to group companies as required.

Revolving Credit Facility (RCF): GBP RCF from the consortium loan arrangement (DBS Bank, Standard Chartered Bank, Axis Bank and Yes Bank) availed by TVS Logistics Investments UK Limited and its subsidiaries is secured by a charge on its other assets and is also secured by guarantee provided by TVS Supply Chain Solutions Limited. The facility borrowings bear a variable interest rate of 2.25% + 1 month SONIA for facility A and 1.75%. + 1 month SONIA for facility B.

The revolving credit facility is repayable by March 2026 and the credit facility is expected to be renewed by the entity once it is expired.

The Secured bank loans are net of transaction costs released over the life of the loan. The total loan repayable at the year-end was £25,046,000 (2024: £20,000,000).

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£'000	£'000
Leases	**11,653**	**12,902**

Creditors due for one than one year comprises of leases the maturity of which is outlined below:

	2025 **£'000**	**2024** **£'000**
1-2 years	2,043	2,296
2-5 years	4,385	4,847
5 years or more	5,225	5,759
Total	**11,653**	12,902

17. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - CONTINUED**

Set out below are the undiscounted potential future rental payments:

	2025 £'000	2024 £'000
1-2 years	2,274	2,555
2-5 years	5,409	5,974
5 years or more	6,833	8,496
Total	**14,516**	17,025

18. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2025	2024
			£'000	£'000
27,226,574	Ordinary	£1	**27,227**	25,046
8,086	Ordinary A	£1	**8**	8
			27,235	**25,054**

The Ordinary and Ordinary A Shares are separate classes of shares for the purpose of the declaration of dividends. The declaration of a dividend in respect of one class of share shall not compel a dividend at the same rate to be declared in respect of any other class of share. In all other respects, the Ordinary and Ordinary A shares rank equally.

During the period, the company issued 2,180,748 Ordinary shares to TVS Logistics Investment UK Limited for a cash consideration of £1.00 each.

19. **RESERVES**

	Retained earnings
	£'000
At 1 April 2024	(13,450)
Loss for the year	(10,330)
At 31 March 2025	(23,780)

Reserves of the Company represent the following:

Profit and Loss account
Cumulative profits and losses, net of distributions to owners.

20. FINANCIAL INSTRUMENTS

Financial Instruments- Fair value and risk management

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

The fair values of all financial assets and financial liabilities by class together with their carrying amounts shown in the balance sheet are as follows:

Year ending 31.03.2025:

	Fair value through P&L	Amortised cost	Total
	£'000	£'000	£'000
Financial assets	-	63,523	63,523
Financial liabilities	-	(92,909)	(92,909)
	-	**(29,386)**	**(29,386)**

Year ending 31.03.2024:

	Fair value through P&L	Amortised cost	Total
	£'000	£'000	£'000
Financial assets	-	59,568	59,568
Financial liabilities	-	(82,818)	(82,818)
	-	(23,250)	(23,250)

The carrying amounts of cash and bank balances, trade and other receivables, trade and other payables and amounts due to and from related parties approximate their fair values. Such items have been classified as under amortized cost in above table.

Currency risk

The Company does not face significant currency risk since the majority of its operations are UK-based and outside of the UK are done so with natural economics hedge, i.e. buy and sell in the same currency.

21. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £498,937 for the year ended 31 March 2025 (2024: £501,768). Contributions totalling £101,860 (2024: £113,618) were payable to the fund at the Statement of Financial Position date and included in creditors.

22. ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed.

The Company evaluates the collectability of trade debtors and records provisions for doubtful debts based on experience including comparisons of the relative age of accounts and consideration of actual write-off history. The actual level of debt collected may differ from the estimated levels of recovery and could impact future operating results positively or negatively.

The Company evaluates the recoverability of intangible fixed assets by completing an annual impairment review. Any differences between carrying amounts and the discounted future expected cash flows are charged off to the profit and loss account. The actual recoverable amounts may differ from the estimated levels and could impact future operating results.

Whilst a range of outcomes is reasonably possible, applying a tolerance level 10% to the above estimates and judgements would result in a potential corresponding increase or decrease to equity and below provisions to the profit and loss.

	2025	2024
	£'000	£'000
Provision for doubtful debts	**718**	703
Provision for taxes	**(573)**	(781)

Changes to lease payments have been estimated where there is a percentage increase in the lease contracts. A best estimate is used for inflation based on historic trends in RPI. When actual lease payments are finalised the lease liability and ROU will be remeasured.

23. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption under FRS 101 paragraph 8(k) not to disclose information about transactions entered into between two or more members of the group where any subsidiary which is a party to the transactions is wholly owned by such a member.

24. ULTIMATE PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

The Company is controlled by TVS Logistics Investment UK Limited, the immediate parent company.

The largest group in which the results of the Company are consolidated is that headed by TVS Supply Chain Solutions Limited, incorporated in India. The consolidated financial statements of this group are available to the public from the Ministry of Corporate Affairs, India. The smallest group in which they are consolidated is that headed by TVS Logistics Investment UK Limited, incorporated in England and Wales. The consolidated financial statements of this group are available to the public and may be obtained from Companies House, Crown Way, Cardiff TF1 PL2.

25. EVENTS AFTER THE REPORTING DATE

SPC International Limited, a wholly owned subsidiary of TVS SCS IFM Limited, have declared a dividend of £3,145,000 on 1 April 2025. This dividend was in specie to clear the loan balance and interest accrued outstanding at 31 March 2025 of the Company and no cash consideration was paid.

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD.

FY 2024-25

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

Registration No. 201430150K

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

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TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited consolidated financial audited statements of TVS Supply Chain Solutions Pte. Ltd. (the "Company") and its subsidiaries (collectively, the "Group") and the financial statements of the Company for the financial year ended 31 March 2025.

In the opinion of the directors, the consolidated financial statements of the Group and the financial statements of the Company as set out on pages 6 to 76 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025 and the financial performance, changes in equity and cash flows of the Group and the Company for the financial year then ended, and at the date of this statement, with the continued financial support from the ultimate holding company, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 DIRECTORS

The directors in office at the date of this statement are:

Ravi Prakash Bhagavathula (resigned 28 April 2025)
Ravi Viswanathan Pazhayanur Venkateswaran
Vittorio Marino Favati
Ramani Vaidhyanathan (appointed 28 April 2025)

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES

The directors of the company holding office at the end of the financial year had no interests in the share capital and debentures of the company and related corporations as recorded in the register of directors' shareholdings kept by the company under section 164 of the Companies Act 1967 except as follows:

Name of directors and companies in which interests are held	Shareholdings registered in name of director		Shareholdings in which directors are deemed to have an interest	
	At beginning of year	At end of year	At beginning of year	At end of year
TVS Supply Chain-Solutions Limited (Ultimate holding company) *(Ordinary shares)*				
Ravi Prakash Bhagavathula (resigned on 28 April 2025)	343,162	415,009	-	-
Ravi Viswanathan Pazhayanur Venkateswaran	710,000	442,500	-	-

4 OPTIONS

(a) Options to take up unissued shares

During the financial year, no options to take up unissued shares of the Company or any corporation in the Group were granted.

(b) Options exercised

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

(c) Unissued shares under options

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

5 AUDITORS

The auditors, P & G Associates PAC, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

.....
Ramani Vaidhyanathan

.....
Vittorio Marino Favati

Date: 22 Aug 2025

P & G Associates PAC
Public Accountants and Chartered Accountants
Reg. No. 201904291R
(incorporated with limited liability)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TVS Supply Chain Solutions Pte. Ltd. (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Group and the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 6 to 76.

In our opinion, the accompanying financial statements of the Group and the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Group and the Company as at 31 March 2025 and of the financial performance, changes in equity and cash flows of the Group and the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for other information. The other information comprises Directors' statement set out on pages 1 to 2 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD.

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

The consolidated financial statements of the Group and the Company for the year ended 31 March 2024, were audited by another auditor who expressed an unmodified opinion on those statements on 24 May 2024.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

P & G Associates PAC
Public Accountants and
Chartered Accountants
Singapore

Date: 22 August, 2025

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TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Year ended 31 March 2025

	Note	Group		Company	
		2025	2024	2025	2024
		$	$	$	$
Revenue	4	333,665,266	270,425,014	-	-
Cost of sales		(259,940,709)	(189,496,028)	-	-
Gross profit		73,724,557	80,928,986	-	-
Other income	5	887,132	448,948	9,398,047	8,756,498
Administrative expenses	6	(68,272,575)	(84,530,280)	(7,284,350)	(9,670,619)
Finance costs	7	(6,908,258)	(10,282,374)	(2,952,144)	(8,963,137)
Loss before tax	8	(569,144)	(13,434,720)	(838,447)	(9,877,258)
Income tax expense	9	(1,204,268)	(1,269,442)	(254,133)	(39,574)
Loss for the year		(1,773,412)	(14,704,162)	(1,092,580)	(9,916,832)
Other comprehensive income/(loss)					
Items that may be reclassified subsequently to profit or loss:					
Currency translation differences arising on consolidation		(2,102,890)	(29,182)	-	-
Effective portion of gains/(loss) on hedging instruments in cash flow hedges		(1,202,249)	1,192,107	(1,202,249)	1,192,107
Items that will not be reclassified subsequently to profit or loss:					
Re-measurement gains/(loss) on defined benefit plans		129,912	(2,641)	-	-
Income tax relating to items that will not be reclassified to profit or loss		7,747	(231)	-	-
Other comprehensive income/ (loss), net of tax		(3,167,480)	1,160,053	-	-
Total comprehensive loss for the year		(4,940,892)	(13,544,109)	(2,294,829)	(8,724,725)

See accompanying notes to financial statements.

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION
31 March 2025

	Note	Group		Company	
		31.03.2025	31.03.2024	31.03.2025	31.03.2024
		$	$	$	$
Assets					
Plant and equipment	10	3,579,167	3,621,701	397,713	721,783
Goodwill and intangible assets	11	41,272,161	43,743,592	-	-
Right-of-use assets	12	50,843,436	57,409,592	-	-
Investment in subsidiaries	13	-	-	92,037,430	92,037,430
Deferred tax assets	14	1,685,269	2,034,092	-	-
Other receivables	16a	1,326,315	804,929	-	-
Non-current assets		98,706,348	107,613,906	92,435,143	92,759,213
Contract assets	16b	8,855,274	5,446,973	-	-
Tax recoverable		2,210,915	1,156,831	-	-
Trade and other receivables	16a	58,220,469	52,612,955	10,161,140	3,720,465
Amount due from related company	17	3,669,676	3,405,249	984,805	998,932
Amount due from ultimate holding company	17	4,876,278	4,874,912	4,874,894	4,874,912
Loan to related companies	17	1,913,348	-	8,466,622	9,912,561
Cash and cash equivalents	18	21,069,856	21,326,650	155,432	127,709
Current assets		100,815,816	88,823,570	24,642,893	19,634,579
Total assets		199,522,164	196,437,476	117,078,036	112,393,792
Equity					
Share capital	19	165,541,780	113,235,676	165,541,780	113,235,676
Capital reserve	20a	(3,160,173)	(3,160,173)	2,861,419	2,861,419
Currency translation reserve	20b	(6,994,094)	(4,891,204)	-	-
Other reserve		322,241	184,582	-	-
Hedge reserve		-	1,202,249	-	1,202,249
Accumulated losses		(93,387,699)	(91,614,287)	(84,564,221)	(83,471,641)
Net equity		62,322,055	14,956,843	83,838,978	33,827,703

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (cont'd)
31 March 2025

	Note	Group		Company	
		31.03.2025	31.03.2024	31.03.2025	31.03.2024
		$	$	$	$
Liabilities					
Other payables	21a	1,659,452	1,759,502	-	-
Provisions	21b	3,781,350	3,489,211	-	-
Lease liabilities	24	36,130,333	43,089,848	-	-
Deferred tax liabilities	14	763,491	2,121,823	-	-
Non-current liabilities		42,334,626	50,460,384	-	-
Trade and other payables	21a	43,751,169	45,126,626	19,198,488	17,971,767
Provisions	21b	1,594,301	1,752,415	-	-
Amount due to a related company	17	4,428,248	567,485	679,830	61,556
Amount due to ultimate holding company	17	1,515,104	8,340,805	930,750	8,340,805
Borrowings	23	25,585,174	54,009,281	12,429,990	48,621,781
Lease liabilties	24	16,779,749	15,392,829	-	-
Tax payable		1,211,738	2,260,628	-	-
Derivative financial instruments	15	-	3,570,180	-	3,570,180
Current liabilities		94,865,483	131,020,249	33,239,058	78,566,089
Total liabilities		137,200,109	181,480,633	33,239,058	78,566,089
Total liabilities and equity		199,522,164	196,437,476	117,078,036	112,393,792

See accompanying notes to financial statements.

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY
Year ended 31 March 2025

Group	Share capital	Capital reserve	Other reserve	Currency translation reserve	Hedge reserve	Accumulated losses	Total
	$	$	$	$	$	$	$
At 31 March 2023	**37,349,311**	**1,535,715**	**187,454**	**(4,862,022)**	**10,142**	**(76,910,125)**	**(42,689,525)**
Loss for the year	-	-	-	-	-	(14,704,162)	(14,704,162)
Other comprehensive loss:							
Currency translation differences arising from consolidation	-	-	-	(29,182)	-	-	(29,182)
Gain on cash flow hedges	-	-	-	-	1,192,107	-	1,192,107
Re-measurement gains on defined benefit plans	-	-	(2,641)	-	-	-	(2,641)
Income tax relating to items that will not be reclassified to profit or loss	-	-	(231)	-	-	-	(231)
Total comprehensive (loss)/gain for the year:	**-**	**-**	**(2,872)**	**(29,182)**	**1,192,107**	**(14,704,162)**	**(13,544,109)**
Transactions recognised in equity:							
Acquisition of non-controlling interest (Note 20a)	-	(4,695,888)	-	-	-	-	(4,695,888)
Issuance of shares (Note 19)	75,886,365	-	-	-	-	-	75,886,365
At 31 March 2024	**113,235,676**	**(3,160,173)**	**184,582**	**(4,891,204)**	**1,202,249**	**(91,614,287)**	**14,956,843**
Loss for the year	-	-	-			(1,773,412)	(1,773,412)
Other comprehensive loss:							
Currency translation differences arising from consolidation	-	-	-	(2,102,890)	-	-	(2,102,890)
Gain on cash flow hedges	-	-	-	-	(1,202,249)	-	(1,202,249)
Re-measurement gains on defined benefit plans	-	-	129,912	-	-	-	129,912
Income tax relating to items that will not be reclassified to profit or loss	-	-	7,747	-	-	-	7,747
Total comprehensive (loss)/gain for the year:	**-**	**-**	**137,659**	**(2,102,890)**	**(1,202,249)**	**(1,773,412)**	**(4,940,892)**
Transactions recognised in equity:							
Issuance of shares (Note 19)	52,306,104	-	-	-	-	-	52,306,104
At 31 March 2025	**165,541,780**	**(3,160,173)**	**322,241**	**(6,994,094)**	**-**	**(93,387,699)**	**62,322,055**

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY (cont'd)
Year ended 31 March 2025

	Share capital	Capital reserve	Hedge reserve	Accumulated losses	Total equity
	$	$	$	$	$
Company					
At 31 March 2023	**37,349,311**	**2,861,419**	**10,142**	**(73,554,809)**	**(33,333,937)**
Loss for the year	-	-	-	(9,916,832)	(9,916,832)
Other comprehensive income:					
Gain on cash flow hedge	-	-	1,192,107	-	1,192,107
Total comprehensive (loss)/gain for the year:	**-**	**-**	**1,192,107**	**(9,916,832)**	**(8,724,725)**
Transactions recognised in equity:					
Issurance of shares (Note 19)	75,886,365	-	-	-	75,886,365
At 31 March 2024	**113,235,676**	**2,861,419**	**1,202,249**	**(83,471,641)**	**33,827,703**
Loss for the year	-	-	-	(1,092,580)	(1,092,580)
Other comprehensive income:					
Gain on cash flow hedge	-	-	(1,202,249)	-	(1,202,249)
Total comprehensive (loss) for the year:	**-**	**-**	**(1,202,249)**	**(1,092,580)**	**(2,294,829)**
Transactions recognised in equity:					
Issurance of shares (Note 19)	52,306,104	-	-	-	52,306,104
At 31 March 2025	**165,541,780**	**2,861,419**	**-**	**(84,564,221)**	**83,838,978**

See accompanying notes to financial statements.

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS
Year ended 31 March 2025

	Group		Company	
	2025	2024	2025	2024
	$	$	$	$
Cash flows from operating activities				
Loss before tax	(569,144)	(13,434,720)	(838,447)	(9,877,258)
Adjustments for:				
Depreciation for plant and equipment	1,193,142	2,118,554	328,123	268,226
Interest expense	6,908,258	10,282,374	2,952,144	8,963,137
Interest income	(156,379)	(154,759)	(357,632)	(687,591)
Amortisation of intangible assets	2,572,257	2,575,942	-	-
Liability written back	-	-	-	-
Depreciation of right-of-use assets	17,815,809	15,582,773	-	-
Loss/(Gain) on fixed assets written off	(17,729)	15,706	-	-
Gain on right-of-use-assets derecognition	(29,816)	(1,775)	-	-
Impairment losses (including reversals of impairment losses) on financial assets and contracts	136,030	(705,128)	-	-
Rent concessions	-	-	-	-
Unrealsied Foreign exchange loss/(gain)	(4,815,464)	2,906,541	(3,140,027)	1,112,918
Operating cash flow before working capital changes	23,036,964	19,185,508	(1,055,839)	(220,568)
Contract assets	(3,408,301)	75,834	-	-
Trade and other receivables	(6,530,718)	7,343,772	(6,426,532)	(355,051)
Trade and other payables	(5,225,424)	(10,745,556)	(2,343,458)	7,679,895
Amounts due to ultimate holding Company	(6,825,701)	2,574,414	(7,410,055)	2,574,414
Cash generated from/(used in) operations	1,046,820	18,433,972	(17,235,884)	9,678,690
Income tax paid	(4,043,180)	(3,859,592)	(254,133)	(39,574)
Net cash generated from/(used in) operating activities	(2,996,360)	14,574,380	(17,490,017)	9,639,116
Cash flow from investing activities				
Deferred payment related to acquisition of NCI (Note 20a)	-	(546,227)	-	-
Investment in subsidiaries			-	(5,555,400)
Acquisition of non-controlling interest (Note 20a)	-	(4,695,888)	-	-
Interest received	156,379	154,759	357,632	687,591
Proceeds on disposal of plant and Equipment	34,656	1,723		-
Addition of plant and equipment	(1,134,721)	(1,969,982)	(4,053)	(516,108)
Amount due from related company	-	-	-	2,647,031 -
Net cash (used in) investing activities	(943,686)	(7,055,615)	353,579	(2,736,886)

TVS SUPPLY CHAIN SOLUTIONS PTE. LTD. AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (cont'd)
Year ended 31 March 2025

	Group		Company	
	2025	2024	2025	2024
	$	$	$	$
Cash flow from financing activities				
Amounts due to a related company	3,860,763	(2,914,886)	618,274	(2,924,722)
Loan to related company	(1,913,348)	97,500	(1,913,348)	-
Loan from related company	(34,636,388)	8,200,812	(34,636,388)	9,527,333
Loan from subsidiary	-	-	3,741,663	1,759,400
Proceeds from issue of equity share capital	52,306,104	67,210,558	52,306,104	67,210,558
Proceeds from borrowings	7,800,000	7,146,900	-	-
Repayment of bank borrowings	-	(74,304,633)		(74,304,633)
Payment of principal portion of lease liabilities	(16,825,621)	(17,432,040)	-	-
Payment of interest	(6,908,258)	(9,575,599)	(2,952,144)	(8,256,362)
Net cash generated from/(used in) financing activities	3,683,252	(21,571,388)	17,164,161	(6,988,426)
Net (decrease)/increase in cash and cash equivalents	(256,794)	(14,052,623)	27,723	(86,196)
Cash and cash equivalents at beginning of the financial year	21,326,650	35,379,273	127,709	213,905
Cash and cash equivalents at end of the financial year	21,069,856	21,326,650	155,432	127,709

See accompanying notes to financial statements.

1. CORPORATE INFORMATION

TVS Supply Chain Solutions Pte. Ltd. (the "Company") is incorporated in the Republic of Singapore. The address of the Company's registered office is 21 Changi North Way, TVS SCS Logistic Centre, Singapore 498774.

The principal activities of the Company are to provide transport and logistics management services. The principal activities of the subsidiaries are disclosed in Note 13 to the financial statements.

The immediate and ultimate holding company is TVS Supply Chain Solutions Limited, incorporated in India.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 *Basis of Preparation*

The financial statements have been prepared on the historical cost basis, except as disclosed in the material accounting policy information, and are drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards ('FRSs'). The financial statements are expressed in Singapore dollars.

2.2 *Adoption of New and Revised Standards*

In the current year, the Group and the Company have applied all the new and revised FRS Accounting Standards that are mandatorily effective for an accounting period that begins on or after January 1, 2024.

Amendments to FRS(I) 1-1: Classification of Liabilities as Current or Non-current

The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Standards issued but not effective

At the date of authorisation of these financial statements, the Group and the Company have not applied the following FRSs pronouncements that have been issued but are not yet effective:

Effective for annual periods beginning on or after January 1, 2025

- Amendments to FRS(I) 1-21: Lack of Exchangeability

Effective for annual periods beginning on or after January 1, 2026

- Amendments to FRS(I) 9 and FRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments
- Annual Improvements to FRS(I)s–Volume 11
- Amendments to FRS(I) 9 and FRS(I) 7: Contracts Referencing Nature-dependent Electricity

Effective for annual periods beginning on or after January 1, 2027

- FRS(I) 18 Presentation and Disclosure in Financial Statements
- FRS(I) 19 Subsidiaries without Public Accountability: Disclosures

Effective date is deferred indefinitely

- Amendments to FRS(I) 10 and FRS(I) 1-28: Sale or Contribution of Assets between Investor and its Associate or Joint Venture

The Management is in the process of assessing the impact of these new or amended standards and does not expect that their adoption will have a material impact on the consolidated financial statements in the period of initial application.

2.3 *Basis of consolidation and business combinations*

(a) *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary company are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary company, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- De-recognises the carrying amount of any non-controlling interest;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;

- Recognises any surplus or deficit in profit or loss; and

- Re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

Investment in subsidiaries in the separate financial statements of the Company are stated at cost, less any impairment in recoverable value that has been recognised in profit or loss.

(b) *Business combinations and goodwill*

Acquisitions of businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the FRS are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with FRS 12 *Income Taxes* and FRS 19 *Employee Benefits* respectively;

- Liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in FRS 2 *Share-based Payment* at the acquisition date; and

- Assets (or disposal groups) that are classified as held for sale in accordance with FRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

(c) *Non-controlling interests (NCI)*

An entity has a choice on a combination-by-combination basis to measure any NCI that represents present ownership interest in the acquiree at either fair value or the proportionate share of the acquiree's net identifiable assets.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(d) *Accounting for put/forward obligation to acquire non-controlling interests (NCI)*

When the Group does not have a present ownership interest over NCI of the subsidiary, the carrying amount of NCI is adjusted for its share of profit or loss and other comprehensive income of the subsidiary based on present ownership interest. A gross liability for the obgliation is initially recognised at the present value of the estimated amount payable, with a corresponding debit to an equity component attributable to Parent. Changes on account of subsequent remeasurement are recognised as an equity transaction. The liability for the amount payable is derecognized upon settlement of the consideration to acquire NCI. The Group applies this accounting policy consistently to all such put/forward obligation as an accounting policy choice.

2.4 *Financial instruments*

Financial assets and financial liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(a) *Financial assets*

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments mainly comprise trade and other receivables that meet the following conditions and are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost , except for short-term balances when the effect of discounting is immaterial.

Interest income is recognised in profit or loss under 'Other income' line item.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate as at each reporting date. Specifically, for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" or "administrative expenses" line item.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The Group recognised 12-month ECL for other receivables.

The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. The Group will adjust the historical loss rates based on expected changes in these factors.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the aforegoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower; or
- a breach of contract, such as a default or past due event; or
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner.Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables, finance lease receivables and amounts due from customers are each assessed as a separate group. Loans to related parties are assessed for expected credit losses on an individual basis);
- Past-due status;
- Nature, size and industry of debtors;
- Nature of collaterals for finance lease receivables; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12m ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

(b) *Financial liabilities*

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is 1) contingent consideration of an acquirer in a business combination, 2) held for trading, or 3) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- the financial liability forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and FRS 109 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liabilities.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at FVTPL are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost as at each reporting date, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in profit or loss (Notes 26 and 27) for financial liabilities that are not part of a designated hedging relationship.

The fair value of financial liabilities denominated in foreign currencies determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Derivative financial instruments

The Group enters into a cross-currency interest rate swap contract to manage its exposure to interest rate and foreign exchange rate risks. Further details of derivative financial instruments are disclosed in Note 15.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value as at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statement unless the Group has both a legally enforceable right and intention to offset. The impact of the master netting agreements on the Group's financial position is disclosed in Note 15. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and

- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect other comprehensive income. Furthermore, if the Group expects that some or all of the loss accumulated in other comprehensive income will not be recovered in the future, that amount is immediately reclassified to profit or loss.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated under the heading of foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the "other gains and losses" line item.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal or partial disposal of the foreign operation.

2.5 Foreign currency

The consolidated financial statements of the Group and the financial statements of the Company are presented in Singapore Dollars, which is the functional currency of the Company and the presentation currency of the consolidated financial statements. The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency).

(a) *Transactions and balances*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(b) *Consolidated financial statements*

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in profit or loss. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

2.6 *Plant and equipment*

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method, on the following bases:

Leasehold improvements	-	2 to 20 years
Warehouse equipment	-	4 to 20 years
Motor vehicles	-	4 to 5 years
Furniture and fittings	-	3 to 10 years
Computer equipment and software	-	3 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The residual value, useful life and depreciation method are reviewed at the end of each reporting period and adjusted prospectively, if appropriate, to ensure that the amount, method and period of

depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised as profit or loss.

2.7 *Intangible assets*

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Trademarks

Trademarks refers to trademarks registered with the World Intellectual Property Organisation.

Customers relationship

Customer relationships and contracts acquired in a business combination are carried at cost and amortised on a straight line basis over the period during which economic benefits are expected to be received.

Amortisation of intangible assets

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill and trademarks, from the date that they are available for use. The estimated useful lives for the current and comparative years are as follows:

Restraint on shareholders' clause	-	6 years
Customer relationship	-	3 to 10 years

2.8 *Impairment of non-financial assets*

At each reporting date, the Group reviews the carrying amounts of the non-financial assets to determine whether there is any indication that these assets have suffered an impairment loss. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belong.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five (5) years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.9 *Contract assets*

Contract assets are recognised when the Group has performed under the contract but has not yet billed to the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional.

2.10 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand, and demand deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.11 *Provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.12 *Financial guarantees*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

2.13 *Borrowing costs*

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.14 *Employee benefits*

(a) *Defined contribution plans*

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) *Defined benefit retirement plans*

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur.

Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement.

The Group presents the first two components of defined benefit costs in profit or loss in the line item staff costs. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plan.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

(c) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the reporting period.

2.15 *Leases*

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under FRS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2.8.
Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other operating expenses' in the statement of profit or loss.

As a practical expedient, FRS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group applied the practical expedient and elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

The Group has applied the amendment to FRS 116 *Leases: COVID-19-Related Rent Concessions*. The Company applies the practical expedient allowing it not to assess whether a rent concession related to COVID-19 is a lease modification. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Group assesses whether there is a lease modification.

2.16 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income. The amout of current tax reflects is the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable

future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet

2.17 *Share capital and share issuance expenses*

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.18 *Contingencies*

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and for which the fair values can be reliably determined.

2.19 *Revenue*

The Group's supply chain management segment generates revenue from services to its customers such as providing freight forwarding services and warehousing services. Certain accessorial services may be provided to customers under their freight forwarding contracts such as unloading and other incidental services. The performance obligations are satisfied over time as customers simultaneously receive and consume the benefits of the services. The contracts contain a single performance obligation, as the distinct services provided remain substantially the same over time and possess the same pattern of transfer. The transaction price is based on the consideration specified in the contract with the customer and contains fixed and variable consideration. In general, fixed component of a contract represents amounts for facility and equipment costs incurred to satisfy the performance obligation and is recognized over the term of the contract.

The Group generates revenue principally by providing freight forwarding services and warehousing services.

Freight forwarding services

Freight forwarding services include air and sea transportation, custom clearance, documentation, cartage, handling, transfers and delivery of goods and inventory management. The performance obligation is created when a customer under transportation contracts submits a shipment note for the transport of goods from origin to destinations. These performance obligations are satisfied over the period as the shipment move from origin to destination and revenue is recognised proportionally as a shipment moves and related costs are recognised as incurred.

Warehousing services

Warehousing Services refers to the provision of the storage of customer's products. Revenue is recognised over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs, based on the time elapsed. Services are billed on weekly/monthly basis.

Payment for warehousing services performed is not due from the customer until the services are completed or billing milestone is reached, and therefore a contract asset is recognised over the period in which the services are performed representing the Group's right to consideration for the services performed to date (Note 2.9).

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Management fee

Income from management fee is recognised at a point in time when administrative and support services are rendered to subsidiaries.

2.20 *Government Grants*

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Management is of the opinion that there is no significant judgement made in applying accounting policies that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial period.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Calculation of loss allowance

When measuring Expected Credit Loss (ECL), the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The carrying amounts of

trade receivables and contract asset are disclosed in Notes 16a and 16b to the financial statements respectively.

(b) Impairment of goodwill and intangible assets

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculations are based on discounted cash flow models. The recoverable amounts are more sensitive to the discount rates used for the discounted cash flow models as well as the expected future cash inflows and the growth rates used for extrapolation purposes. The key assumptions applied in the determination of the value in use calculations are disclosed in Note 11 to the financial statements.

The management has performed certain sensitivity analysis and up to 2.9% (31 March 2024 : 10%) reduction in the average revenue growth, with all other variables held constant, there will be no impairment in the goodwill. With all other variables held constant, there will be no impairment in the goodwill when a discount rate up to 21.5% (31 March 2024 : 26.8%) is being used. As at 31 March 2025, the carrying amount of goodwill is $36,144,471 (31 March 2024 : $36,046,148) (Note 11).

(c) Impairment of investment in subsidiaries

The carrying value of the Company's investment in subsidiaries is reviewed for impairment in accordance with FRS 36 *Impairment of Assets*. The investment in subsidiaries is tested for impairment when a subsidiary is in a net liabilities position or has suffered continual operating losses or has any other known impairment indicators.

As at 31 March 2025, the carrying amount of investment amounted to $92,037,430 (2024 : $92,037,430) respectively (Note 13).

4. REVENUE

A disaggregation of the Group's revenue for the year is as follows:

	Group	
	2025	2024
	$	$
By timing of recognition		
Over time	333,665,266	270,425,014
Based on geographical location of subsidiaries:		
Europe	106,906,940	72,680,892
Asia – Pacific (except Australia)	138,771,270	132,816,287
Australia	87,987,056	64,927,835
	333,665,266	270,425,014

5. OTHER INCOME

	Group		Company	
	2025	2024	2025	2024
	$	$	$	$
Interest income	156,379	154,759	357,632	687,591
Management fees	306,128	101,397	9,038,415	8,068,907
Government grant income				
- Others	-	6,807	-	-
Other non-operating income	424,625	185,985	2,000	-
	887,132	448,948	9,398,047	8,756,498

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6. ADMINISTRATIVE EXPENSES

	Group		Company	
	2025	2024	2025	2024
	$	$	$	$
Salaries, bonuses and related costs	30,298,247	38,931,948	3,361,823	4,315,537
Contribution to defined contribution Plan	4,773,854	5,678,147	136,808	189,082
Amortisation of intangible assets	2,572,257	2,575,942	-	-
Loss allowance/(write back) on trade receivables	136,030	(705,128)	-	-
Depreciation of plant and equipment	662,550	2,118,554	328,123	268,226
Amortisation of right-of-use assets	17,815,809	15,582,773	-	-
Legal and Professional fees	1,948,794	2,907,079	322,720	359,843
Computer Software & IT Support Services	607,413	493,951	510,471	383,099
Insurance	670,830	954,899	46,700	56,286
Building repairs and maintenance	435,261	828,988		
Travelling and conveyance	687,508	715,589	125,917	185,245
Management fees	1,977,262	1,731,627	1,977,262	1,731,607
Software expenses	3,020,132	3,381,242	-	-
Net foreign exchange (gain)/loss	(3,289,270)	2,318,828	(1,950,424)	1,141,199
Shared service charges	1,407,930	1,336,150	2,059,955	445,646
Rental Charges	974,632	830,975	-	-
Premium on forward exchange contract amortized	229,838	476,816	229,838	476,816
Others	3,343,498	4,371,900	135,157	118,033
	68,272,575	84,530,280	7,284,350	9,670,619

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7. FINANCE COSTS

	Group		Company	
	2025	2024	2025	2024
	$	$	$	$
Interest expenses:				
- Bank borrowings	1,015,236	3,570,587	185,191	3,462,296
- Loan from a related company (Note 25)	2,662,364	4,146,346	2,766,953	4,147,367
- Lease liability (Note 12)	2,851,324	1,211,967	-	-
Amortisation of transaction cost on borrowing	131,010	706,775	-	706,775
Guarantee fee cost to ultimate holding company (Note 25)	248,324	646,699	-	646,699
	6,908,258	10,282,374	2,952,144	8,963,137

8. LOSS BEFORE TAX

Loss before tax is stated after charging the following items:

	Group		Company	
	2025	2024	2025	2024
	$	$	$	$
Loss before tax is arrived at after charging/(crediting):				
Staff costs:				
- Salaries, bonuses and related costs	30,298,247	38,931,948	3,361,823	4,315,537
- Contribution to defined contribution plan	4,773,854	5,678,147	136,808	189,082
Amortisation of intangible assets	2,572,257	2,575,942	-	-
Impairment losses (including reversals of impairment losses) on financial assets and contracts	136,030	(705,128)	-	-
Depreciation of plant and equipment	662,550	2,118,554	328,123	268,226
Amortisation of right-of-use assets (Note 12)	17,815,809	15,582,773	-	-
Professional fees	954,248	1,707,757	67,260	16,104
Audit fees	994,546	1,199,322	255,460	343,740
Expense related to short-term and low value-leases	974,633	830,975	-	-
Building repairs and maintenance	435,261	828,988	-	-
Loss/(Gain) on fixed assets written Off	(17,729)	15,706	-	-
Gain on right-of-use-assets derecognition	(29,816)	(1,775)	-	-
Net foreign exchange (Gain)/loss	(3,289,270)	2,318,828	(1,950,424)	1,141,199

9. INCOME TAX EXPENSE

	Group		Company	
	2025	2024	2025	2024
	$	$	$	$
Tax expense attributable to profits is made up of:				
- Current income tax	2,265,326	2,192,746	-	-
- Tax paid for earlier years	-	-	254,133	-
- Deferred tax	(1,061,058)	(1,548,257)	-	-
- Withholding tax	-	624,953	-	39,574
	1,204,268	1,269,442	254,133	39,574

The reconciliation between the income tax expense and the profit before taxation at the applicable corporate tax rate for the financial years ended 31 March 2025 and 2024 is as follows:

	Group		Company	
	2025	2024	2025	2024
	$	$	$	$
Loss before tax	(569,144)	(13,434,720)	(838,447)	(9,877,258)
Tax calculated at tax rate of 17%	(96,754)	(2,283,902)	(142,536)	(1,679,134)
Income not subject to tax	(1,169,329)	(841,003)	(393,505)	(92,177)
Expenses not deductible for tax purpose	1,782,442	2,252,941	541,611	1,636,410
Tax paid for earlier years	-	-	254,133	-
Effect of different tax rates in other countries	483,796	391,956	-	-
Utilisation of previously unrecognised deferred tax assets	(1,694,228)	(1,316,539)	-	-
Tax effect of unrecognized and Unused tax losses not recognised as deferred tax assets	1,898,341	2,441,036	(5,570)	134,901
Withholding tax	-	624,953	-	39,574
	1,204,268	1,269,442	254,133	39,574

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10. PLANT AND EQUIPMENT

	Warehouse equipment	Furniture and fittings	Computer equipment and software	Motor vehicles	Leasehold improvements	Total
	$	$	$	$	$	$
Group						
Cost:						
At 1 April 2023	14,680,711	4,263,054	9,627,804	817,855	6,069,210	35,458,634
Additions	731,324	163,344	737,187	-	338,127	1,969,982
Write off	-	(146,425)	(298,996)	(33,118)	(115,581)	(594,120)
Translation differences	(20,097)	(68,214)	(84,262)	(1,359)	(83,217)	(257,149)
At 31 March 2024	15,391,938	4,211,759	9,981,733	783,378	6,208,539	36,577,347
Additions	485,529	250,709	261,046	24,642	112,795	1,134,721
Write off	(199,966)	(460,502)	(409,696)	-	(91,399)	(1,161,563)
Reclass & Reverse	-	-	-	9,733	16,085	25,818
Translation differences	(74,775)	49,340	4,106	9,898	89,084	77,653
At 31 March 2025	15,602,726	4,051,306	9,837,189	827,651	6,335,104	36,653,976

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	Warehouse equipment	Furniture and fittings	Computer equipment and software	Motor vehicles	Leasehold improvements	Total
	$	$	$	$	$	$
Group						
Accumulated depreciation:						
At 1 April 2023	13,239,654	3,950,719	8,736,337	656,098	5,013,473	31,596,281
Charge for the year	1,355,964	114,346	441,175	4,240	202,829	2,118,554
Write off	-	(136,562)	(291,430)	(31,659)	(115,581)	(575,232)
Translation differences	(63,722)	(52,223)	(40,882)	11,832	(38,962)	(183,957)
At 31 March 2024	14,531,896	3,876,280	8,845,200	640,511	5,061,759	32,955,646
Charge for the year	369,217	122,876	517,607	5,580	177,862	1,193,142
Write off	(189,189)	(456,069)	(407,979)	-	(91,399)	(1,144,636)
Reclass & Reverse	(52,386)	10,115	33,006	9,265	25,818	25,818
Translation differences	(59,080)	49,024	3,090	4,561	47,244	44,839
At 31 March 2025	14,600,458	3,602,226	8,990,924	659,917	5,221,284	33,074,809
Net carrying amount:						
At 31 March 2024	860,042	335,479	1,136,533	142,867	1,146,780	3,621,701
At 31 March 2025	1,002,268	449,080	846,265	167,734	1,113,820	3,579,167

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	Computer equipment and software	Total
	$	$
Company		
Cost:		
At 1 April 2023	4,692,074	4,692,074
Additions	516,108	516,108
At 31 March 2024	5,208,182	5,208,182
Reclass & Reverse	4,053	4,053
At 31 March 2025	5,212,235	5,212,235
Accumulated depreciation:		
At 1 April 2023	4,218,173	4,218,173
Charge for the year	268,226	268,226
At 31 March 2024	4,486,399	4,486,399
Charge for the year	328,123	328,123
At 31 March 2025	4,814,522	4,814,522
Net carrying amount:		
At 31 March 2024	721,783	721,783
At 31 March 2025	397,713	397,713

11. GOODWILL AND INTANGIBLE ASSETS

	Goodwill	Restraint on shareholders' clause	Customer relationship	Trademarks	Total
	$		$	$	$
Group					
Cost:					
At 1 April 2023	36,458,242	664,029	27,532,509	10,466	64,665,246
Translation differences	(412,094)	-	(33,264)	(120)	(445,478)
At 31 March 2024	36,046,148	664,029	27,499,245	10,346	64,219,768
Translation differences	98,323	-	2,985	(482)	100,826
At 31 March 2025	36,144,471	664,029	27,502,230	9,864	64,320,594
Accumulated amortisation:					
At 1 April 2023	-	664,029	17,236,205	-	17,900,234
Charge for the year	-	-	2,575,942	-	2,575,942
At 31 March 2024	-	664,029	19,812,147	-	20,476,176
Charge for the year	-	-	2,572,257	-	2,572,257
At 31 March 2025	-	664,029	22,384,404	-	23,048,433
Net carrying amount:					
At 31 March 2024	36,046,148	-	7,687,098	10,346	43,743,592
At 31 March 2025	36,144,471	-	5,117,826	9,864	41,272,161

Impairment assessment on goodwill

For the purpose of impairment assessment, goodwill arising from acquisition have been allocated to, T.I.F Holdings Pty Ltd and its subsidiaries, TVS SCS Singapore Pte Ltd and its subsidiaries and TVS SCS Logistics Management Co Ltd as a single cash-generating unit (CGU).

The recoverable amount of the CGU is determined based on a value in use calculation using cash flow projections from financial budgets covering a five year period. The following key assumptions are used in the value in use calculation:

	2025	2024
Discount rate	10.0%	10.0%
Terminal growth rate	3.0%	3.4%
Budgeted revenue growth rate (average of the next 5 years)	7.95%	16.9%

Cash flow projections during the five year period are based on the same expected gross margins throughout this period, which are materially consistent with the gross margins achieved in 2025.

Based on the assessment, management is of the opinion that the carrying value of the goodwill does not exceed its recoverable amount.

Sensitivity to changes in assumptions

With regards to the value in use calculation, management believes that no reasonable possible changes in any of the above key assumptions cause the carrying amounts of goodwill to materially exceed its recoverable amount.

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12. RIGHT-OF-USE ASSETS

The Group leases several buildings, plant and equipment, office equipment and vehicles. The average lease term is 4 years (2024 : 4 years).

As at the 31 March 2025, the Group has an option to extend in the range of 3-5 years and have assessed that it is not reasonably certain that the extension option on buildings will be exercised.

	Buildings	Plant and equipment	Office equipment	Vehicles	Total
	$	$	$	$	$
Group					
Cost:					
At 1 April 2023	83,819,674	2,448,731	595,788	589,761	87,453,954
Additions	44,727,186	631,119	532,567	572,013	46,462,885
Derecognition	(43,699,474)	(505,356)	(464,066)	(368,376)	(45,037,272)
Translation differences	(395,096)	(112,082)	1,175	1,046	(504,957)
At 31 March 2024	84,452,290	2,462,412	665,464	794,444	88,374,610
Additions	10,529,757	401,452	41,722	348,466	11,321,397
Derecognition	(10,368,185)	(340,452)	(131,261)	(165,073)	(11,004,971)
Termination/Reclassification	(124,924)	-	-	-	(124,924)
Translation differences	(305,531)	133,906	(1,437)	(221)	(173,283)
At 31 March 2025	84,183,407	2,657,318	574,488	977,616	88,392,829
Accumulated depreciation:					
At 1 April 2023	58,578,018	1,227,504	515,889	340,634	60,662,045
Depreciation	14,722,541	483,121	142,353	234,758	15,582,773
Derecognition	(43,672,981)	(505,356)	(464,066)	(368,376)	(45,010,779)
Translation differences	(215,257)	(55,587)	916	907	(269,021)
At 31 March 2024	29,412,321	1,149,682	195,092	207,923	30,965,018
Depreciation	16,713,370	625,831	118,286	358,322	17,815,809
Derecognition	(10,368,185)	(340,452)	(131,261)	(165,073)	(11,004,971)
Termination/Reclassification	(88,228)	-	357	4,578	(83,291)
Translation differences	(217,079)	75,023	(1,481)	367	(143,172)
At 31 March 2025	35,452,199	1,510,084	180,993	406,117	37,549,393
Net carrying amount:					
At 31 March 2024	55,039,969	1,312,730	470,372	586,521	57,409,592
At 31 March 2025	48,731,208	1,147,234	393,495	571,499	50,843,436

Leases as lessee

Amount recognised in profit or loss relating to leases under FRS 116

	Group	
	31.03.2025	31.03.2024
	$	$
Depreciation expense on right-of-use assets	17,815,809	15,582,773
Interest expense on lease liabilities	2,851,324	1,211,967
Expense relating to short-term and low value leases	3,353,890	830,975

Total cash outflow

The Group had total cash outflows for leases of $ 19,676,945 in 2025 (2024: $ 18,644,007).

13. INVESTMENT IN SUBSIDIARIES

	Company	
	2025	2024
	$	$
Unquoted equity shares, at cost		
As at 1 April	92,037,430	86,482,030
Add: Additions during the year	-	5,555,400
As at 31 March	92,037,430	92,037,430

As of 31 March 2025, the Company did not make any new investments in subsidiaries during the financial year.

Name of subsidiaries	Principal activities	Country of incorporation	Effective equity interest held by the Group (%)	
			2025	2024
Held by the Company				
TVS Supply Chain Solutions Australia Holdings Pty Ltd	Investment holding	Australia	100	100
TVS SCS International Freight (Spain), S.L.U.	Freight forwarding	Spain	100	100
TVS SCS International Pte. Ltd	Freight forwarding	Singapore	100	100
TVS SCS Singapore Pte. Ltd.	Freight forwarding	Singapore	100	100
TVS Supply Chain Solutions (Thailand) Limited	Investment holding	Thailand	100	100
TVS SCS Philippines Corporation	Freight forwarding	Philippines	100	100
Held by the Company and TVS Supply Chain Solutions (Thailand) Limited				
TVS SCS Logistics Management Co., Ltd	Warehousing	Thailand	100	100

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Name of subsidiaries	Principal activities	Country of incorporation	Effective equity interest held by the Group (%)	
			2025	2024
Held by TVS Supply Chain Solutions Australia Holdings Pty Ltd				
T.I.F Holdings Pty. Ltd.	Investment holding	Australia	100	100
Held by T.I.F Holdings Pty. Ltd.				
TVS SCS (Aust) Pty Ltd	Freight forwarding	Australia	100	100
TVS SCS New Zealand Limited	Freight forwarding	New Zealand	100	100
Kahn Nominees Pty Ltd	Investment holding	Australia	100	100
Held by Kahn Nominees Pty.Ltd.				
TVS SCS International Freight Hong Kong Limited	Freight forwarding	Hong Kong	100	100
TVS SCS International Freight (Singapore) Pte. Ltd	Freight forwarding	Singapore	100	100
Held by TVS SCS International Freight Hong Kong Limited				
TVS SCS International Freight (Thailand) Limited	Freight forwarding	Thailand	100	100
Transtar International Freight (Malaysia) Sdn Bhd	Freight forwarding	Malaysia	100	100
TVS Supply Chain Solutions Holdings Limited	Freight forwarding	Thailand	100	100

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Name of subsidiaries	Principal activities	Country of incorporation	Effective equity interest held by the Group (%)	
			2025	2024
Held by TVS SCS Singapore Pte. Ltd.				
TVS SCS (Korea) Ltd	Freight forwarding	Korea	100	100
TVS SCS Logistics Ltd	Freight forwarding	China	100	100
TVS SCS Logistics (Thailand) Limited	Freight forwarding	Thailand	100	100
TVS SCS Hong Kong Limited	Freight forwarding	Hong Kong	100	100
Pan Asia Container Line Pte Limited	Freight forwarding	Hong Kong	100	100
TVS SCS Deutschland GmbH	Freight forwarding	Germany	100	100
TVS SCS Malaysia Sdn Bhd	Freight forwarding	Malaysia	100	100
TVS SCS Vietnam Company Limited	Freight forwarding	Vietnam	100	100
PT TVS SCS Indonesia	Freight forwarding	Indonesia	100	100
TVS SCS Taiwan Limited	Freight forwarding	Taiwan	100	100
Pan Asia Freight-Forwarding & Logistics India Pvt Ltd	Freight forwarding	India	100	100

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14. DEFERRED TAX

The following are the major deferred tax liabilities and assets recognised by the Group, and the movements thereon, during the current and prior financial years:

	Right-of-use assets	Tax losses	Others	Total
	$	$	$	$
Group				
At 1 April 2023	40,564	233,552	(1,953,587)	(1,679,471)
(Charge) Credit to profit or loss	(4,979)	1,192,493	360,743	1,548,257
Exchange difference	(437)	103	43,817	43,483
At 31 March 2024	35,148	1,426,148	(1,549,027)	(87,731)
(Charge) Credit to profit or loss	7,356	(420,735)	1,474,437	1,061,058
(Charge) Credit to OCI	-	-	8,474	8,474
Exchange difference	(1,675)	(18,012)	(40,336)	(60,023)
At 31 March 2025	40,829	987,401	(106,452)	921,778

	31.03.2025	31.03.2024
	$	$
Group		
Represented by:		
- Deferred tax assets	1,685,269	2,034,092
- Deferred tax liabilities	(763,491)	(2,121,823)
	921,778	(87,731)

Subject to the agreement by the tax authorities, at the reporting date, the Group has unused tax losses and - other temporary difference of $61,188,985 (2024 : $61,926,932) available for offset against future profits. A deferred tax asset has been recognised in respect of $6,512,838 (2024 : $8,930,691) of these tax losses and other temporary difference. No deferred tax asset has been recognised in respect of the remaining $54,676,147 (2024 : $52,996,241) of tax losses as it is not considered probable that there will be future taxable profits available.

Of the total unutilised tax losses and other temporary difference of $61,188,985 (2024 : $61,926,932), $6,669,337 (2024 : $8,605,336) will expire between 2026 to 2035. Other losses may be carried forward indefinitely subject to the conditions imposed by law including the retention of majority shareholders as defined.

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15. DERIVATIVE FINANCIAL INSTRUMENTS

	Group and Company			
	31.03.2025		31.03.2024	
	Assets	Assets	Assets	Liabilities
	$	$	$	$
USD - SGD cross currency swap	-	-	-	252,309
GBP - SGD cross currency swap	-	-	-	3,317,871
	-	-	-	3,570,180
Analysed as:				
- Non-current	-	-	-	-
- Current	-	-	-	3,570,180

USD - SGD cross currency swap

The Group enters into cross currency swap to manage the foreign currency risk associated with borrowing denominated in foreign currencies.

The Group performs a qualitative assessment of effectiveness and it is expected that the value of the cross currency swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates.

The following tables detail the cross currency swap contracts outstanding at the end of the current and prior financial years, as well as information regarding their related hedged items:

31.03.2025	Notional value : Foreign currency	Notional value	Fair value	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
	USD	$	$		$
Hedging instrument					
USD - SGD Cross-currency swap	-	-	-	Derivative – financial liability	(252,309)

31.03.2024	Notional value : Foreign currency	Notional value	Fair value	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
	USD	$	$		$
Hedging instrument					
USD - SGD Cross-currency swap	5,535,000	7,468,376	252,309	Derivative – financial liability	(430,697)

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31.03.2025	Change in fair value used for measuring ineffectiveness	Balance in cash flow hedge reserve for continuing hedges	Balance in cash flow hedge reserve arising from hedging relationships for which hedge accounting is no longer applied
	$	$	$
Hedged item			
Borrowing in USD at LIBOR +2.10%	(252,309)	-	-

31.03.2024	Change in fair value used for measuring ineffectiveness	Balance in cash flow hedge reserve for continuing hedges	Balance in cash flow hedge reserve arising from hedging relationships for which hedge accounting is no longer applied
	$	$	$
Hedged item			
Borrowing in USD at LIBOR +2.10%	(430,697)	287,215	-

The following tables details the effectiveness of the hedging relationships and the amounts reclassified from hedging reserve to profit or loss in the current and prior financial years:

For the financial year ended 31 March 2025	Current period hedging gains (losses) recognised in OCI	Amount reclassified to profit or loss due to hedged item affecting Profit or (Loss)	Line item in profit or loss in which reclassification adjustment is included
	$	$	
Cash flow hedge			
Borrowing in USD at LIBOR +2.10%	(287,214)	487,113	Administrative expenses

For the financial year ended 31 March 2024	Current period hedging gains (losses) recognised in OCI	Amount reclassified to profit or loss due to hedged item affecting Profit or (Loss)	Line item in profit or loss in which reclassification adjustment is included
	$	$	
Cash flow hedge			
Borrowing in USD at LIBOR +2.10%	686,872	(256,175)	Administrative expenses

GBP - SGD cross currency swap

The Group enters into cross currency swap to manage the foreign currency risk associated with borrowing denominated in foreign currencies.

The Group performs a qualitative assessment of effectiveness and it is expected that the value of the cross currency swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates.

The following tables detail the cross currency swap contracts outstanding at the end of the current and prior financial years, as well as information regarding their related hedged items:

31.03.2025	Notional value	Notional value	Fair value	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
	GBP	$	$		$
Hedging instrument					
GBP - SGD Cross-currency swap	-	-	-	Derivative – financial liability	(3,317,871)

31.03.2024	Notional value	Notional value	Fair value	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
	GBP	$	$		$
Hedging instrument					
GBP - SGD Cross-currency swap	22,556,700	38,423,083	3,317,871	Derivative – financial liability	(4,613,166)

31.03.2025	Change in fair value used for measuring ineffectiveness	Balance in cash flow hedge reserve for continuing hedges	Balance in cash flow hedge reserve arising from hedging relationships for which hedge accounting is no longer applied
	$	$	$
Hedged item			
Borrowing in GBP at SONIA +2.1326%	(3,317,871)	-	-

31.03.2024	Change in fair value used for measuring ineffectiveness	Balance in cash flow hedge reserve for continuing hedges	Balance in cash flow hedge reserve arising from hedging relationships for which hedge accounting is no longer applied
	$	$	$
Hedged item			
Borrowing in GBP at SONIA +2.1326%	(4,613,166)	915,034	-

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The following tables details the effectiveness of the hedging relationships and the amounts reclassified from hedging reserve to profit or loss in the current and prior financial year:

For the financial year ended 31 March 2025	Current period hedging gains (losses) recognised in OCI	Amount reclassified to profit or loss due to hedged item affecting Profit or (Loss)	Line item in profit or loss in which reclassification adjustment is included
	$	$	
Cash flow hedge			
Borrowing in GBP at SONIA +2.1326%	(915,036)	1,564,136	Administrative expenses

For the financial year ended 31 March 2024	Current period hedging gains (losses) recognised in OCI	Amount reclassified to profit or loss due to hedged item affecting Profit or (Loss)	Line item in profit or loss in which reclassification adjustment is included
	$	$	
Cash flow hedge			
Borrowing in GBP at SONIA +2.1326%	505,235	4,107,931	Administrative expenses

16a. TRADE AND OTHER RECEIVABLES

	Group		Company	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	$	$	$	$
Trade and other receivables (current):				
Trade receivables	51,766,196	43,686,453	-	-
Amount due from subsidiary (trade)	-	-	9,964,705	3,685,355
Deposits	1,910,592	5,626,525	8,597	14,747
	53,676,788	49,312,978	9,973,302	3,700,102
Prepayments	1,967,795	824,529	117,045	428
Other tax receivables	1,591,496	1,021,660	56,829	16,219
Advances	95,149	931,573	-	3,716
Others	559,146	417,372	13,964	-
Deferred costs	330,095	104,843	-	-
	58,220,469	52,612,955	10,161,140	3,720,465
Other receivables (non-current):				
Deposits	312,420	280,716	-	-
Deferred costs	1,013,895	524,213	-	-
	1,326,315	804,929	-	-
Total trade and other receivables (current and non-current)	59,546,784	53,417,884	10,161,140	3,720,465

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Trade Receivable

Loss allowance for trade receivables has always been measured at an amount equal to lifetime ECL. The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. None of the trade receivables that have been written off is subject to enforcement activities.

The following table details the risk profile of trade receivables from contracts with customers based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

	Group				
	Trade receivables - days past due				
2025	Not due	Past due 0 - 90 days	Past due 90 - 180 days	Past due more than 180 days	Total
Expected credit loss rate	0.0%	0.2%	0.3%	73%	
Estimated total gross carrying amount at default	40,134,295	9,964,059	684,850	3,784,566	54,567,770
Lifetime ECL credit impaired	(6,065)	(20,475)	(2,053)	(2,772,981)	(2,801,574)
					51,766,196

	Group				
	Trade receivables - days past due				
2024	Not due	Past due 0 - 90 days	Past due 90 - 180 days	Past due more than 180 days	Total
Expected credit loss rate	0.0%	0.0%	0.0%	85%	
Estimated total gross carrying amount at default	34,441,378	8,434,312	334,654	3,165,465	46,375,809
Lifetime ECL credit impaired	-	-	-	(2,689,356)	(2,689,356)
					43,686,453

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Receivables that are impaired

The Group's trade receivables that are impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment are as follows:

	Group
	$
Balance as at 1 April 2023	4,026,345
Reversal during the year	(705,128)
Amounts written off	(631,861)
At 31 March 2024	2,689,356
Charge for the year	136,030
Amounts written off	(23,812)
At 31 March 2025	2,801,574

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

16b. CONTRACT ASSETS

Contract assets are initially recognised for revenue earned from freight forwarding services and warehouse services as receipt of consideration is conditional on successful completion of services. Upon completion of services and billing, the amounts recognised as contract assets are reclassified to trade receivables.

Management estimates the loss allowance on contract assets at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the industry. None of the amounts due from customers at the end of the reporting period is past due. There was no credit allowance provided for during the current and previous year.

There has been no change in the estimation techniques or significant assumptions made during the current year.

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17. AMOUNT DUE FROM/(TO) A RELATED COMPANY AND AMOUNT DUE FROM/(TO) ULTIMATE HOLDING COMPANY

	Group		Company	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	$	$	$	$
Current assets				
Amount due from a related company	3,669,676	3,405,249	984,805	998,932
Amount due from ultimate holding company	4,876,278	4,874,912	4,874,894	4,874,912
Loan to related companies	1,913,348	-	8,466,622	9,912,561
	10,459,302	8,280,161	14,326,321	15,786,405

	Group		Company	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	$	$	$	$
Current liabilities				
Amount due to ultimate holding company	(1,515,104)	(8,340,805)	(930,750)	(8,340,805)
Amount due to a related company	(4,428,248)	(567,485)	(679,830)	(61,556)
	(5,943,352)	(8,908,290)	(1,610,580)	(8,402,361)

The amount due from a related company is unsecured, interest free and payable on demand. There is no allowance for doubtful recoverables arising from these outstanding balances.

The amount due from the ultimate holding company is unsecured, trade in nature, interest free and payable on demand. There is no allowance for doubtful recoverables arising from these outstanding balances.

The loan to related companies is unsecured, bears interest at rate of 3% to 6% (2024 : 3.3% to 7.0%) and payable on demand. There is no expected credit loss for doubtful recoverables arising from the outstanding balances.

For purpose of impairment assessment, the amount due from a related company and ultimate holding company; and loan to related companies are considered to have low credit risk as the timing of payment is controlled by the ultimate holding company taking into account cash flow management within the ultimate holding company's group of companies and there has been no significant increase in the risk of default on these balances since initial recognition. Accordingly, for the purpose of impairment assessment, the loss allowance is measured at an amount equal to 12-month ECL.

In determining the ECL, management has taken into account the financial position of ultimate holding company as well as the related companies, adjusted for factors that are specific to them and general economic conditions of the industry in which they operate, in estimating the probability of default of the receivable and loan as well as the loss upon default. Management determines the amount due from ultimate holding company and loan to related companies are subject to immaterial credit loss.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The amount due to ultimate holding company from the Group are unsecured, interest free and payable on demand.

The amount due to related companies from the Group are unsecured, interest free and payable on demand.

18. CASH AND CASH EQUIVALENTS

	Group		Company	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	$	$	$	$
Bank balances	20,762,860	21,024,430	155,432	127,709
Cash on hand	21,074	15,834	-	-
Fixed deposits	285,922	286,386	-	-
	21,069,856	21,326,650	155,432	127,709

As at March 31, 2025, fixed deposits bear interest of 6 % per annum for a tenure of 12 months.

19. SHARE CAPITAL

	Group and Company	
	31.03.2025	31.03.2024
	$	$
Ordinary shares		
Fully paid ordinary shares, with no par values:		
Balance at beginning of the financial year	113,235,676	37,349,311
Shares issued during the year	52,306,104	75,886,365
Balance at end of the financial year	165,541,780	113,235,676

The holders of ordinary share are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

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Issuance of ordinary shares

In June 22, 2024, the directors approved the issue of 1,735,054 ordinary shares to its related company at an exercise price of $4.60 per share.

In September 16, 2024, the directors approved the issue of 370,565 ordinary shares to its related company at an exercise price of $4.60 per share.

In September 18, 2024, the directors approved the issue of 1,138,621 ordinary shares to its related company at an exercise price of $4.60 per share.

In September 20, 2024, the directors approved the issue of 185,000 ordinary shares to its related company at an exercise price of $4.60 per share.

In December 17, 2024, the directors approved the issue of 1,695,652 ordinary shares to its related company at an exercise price of $4.60 per share.

In March 27, 2025, the directors approved the issue of 6,246,000 ordinary shares to its immediate holding company at an exercise price of $4.60 per share.

20a. CAPITAL RESERVE

Capital reserve brought forward from the prior year represents effects of changes in ownership interest in subsidiaries when there is no change in control and deemed capital contributions from the immediate holding company.

20b. CURRENCY TRANSLATION RESERVE

The currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

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21a. TRADE AND OTHER PAYABLES

	Group		Company	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	$	$	$	$
Trade and other payables (current):				
Trade payables	24,627,392	26,809,882	61,975	72,536
Amount due to subsidiaries	-	-	18,845,263	16,971,927
Accrued expenses	14,756,653	14,692,134	258,985	896,108
Other payables	1,472,699	1,444,834	-	-
Deferred cash settlements	-	-	-	-
Deposits	854,409	537,784	-	-
Deferred income	537,799	286,302	-	-
	42,248,952	43,770,936	19,166,223	17,940,571
Other tax liabilities	1,502,217	1,355,690	32,265	31,196
	43,751,169	45,126,626	19,198,488	17,971,767
Other payables (non-current):				
Deposits	1,240	327,993	-	-
Deferred income	1,658,212	1,431,509	-	-
	1,659,452	1,759,502	-	-

The average credit period on purchases of goods is 30 days (31 March 2024 : 30 days). No interest is charged on outstanding balance.

21b. PROVISIONS

	Group	
	31.03.2025	31.03.2024
	$	$
Current:		
Provision for leave entitlement	1,112,622	1,152,778
Provision for social security contributions	481,679	599,637
	1,594,301	1,752,415
Non-current:		
Provision for leave entitlement	95,614	90,792
Provision for retirement benefit (Note 22)	939,102	651,332
Provision for restoration	2,746,634	2,747,087
	3,781,350	3,489,211

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22. RETIREMENT BENEFIT OBLIGATIONS

The Group has defined benefit plans for qualifying employees from the following subsidiaries - PT TVS SCS Indonesia, TVS SCS (Korea) Ltd, TVS SCS Logistics (Thailand) Limited and TVS SCS Logistics Management Co., Ltd.

The amount recognised in the consolidated statements of financial position in respect of the Group's defined benefit plans are as follows:

	Group	
	31.03.2025	31.03.2024
	$	$
Net liability arising from defined benefit obligations	939,102	651,332

The amount recognised in total comprehensive income in respect of the Group's defined benefit plans are as follows:

	Group	
	2025	2024
	$	$
Current service cost	238,666	276,213
Net interest expense	829	1,137
Past Service Cost	265,470	-
Exchange (gain)/loss	(58,983)	21,217
Components of defined benefit costs recognised in profit or loss	445,982	298,567
Remeasurement on net defined liability	-	-
Components of defined benefit costs recognised in other comprehensive income	(129,912)	2,641
Total	316,070	301,208

The current service cost and the net interest expense for the year are included in the employee benefits expense in profit or loss for the year.

The net actuarial gain is recognised in profit or loss and remeasurement of the net defined benefit liability is included in other comprehensive income.

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Movements in the net liability arising from defined benefit obligation in the current are as follows:

	Group	
	31.03.2025	31.03.2024
	$	$
Opening defined benefit obligation	651,332	707,418
Current service cost	238,666	276,213
Past Service Cost	265,470	-
Interest cost	829	1,137
Exchange (gain)/loss	(58,983)	21,217
Actuarial (gains) losses recognised in other comprehensive income	(129,912)	2,641
Benefits paid	(28,300)	(357,294)
Closing defined benefit obligation	939,102	651,332

The actuarial valuation was carried out by an independent valuer as of 31 December 2024 for TVS SCS Indonesia, as of 31 March 2025 for TVS SCS (Korea) Ltd and TVS SCS Logistics (Thailand) Limited. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. The actuarial valuation was carried out using the following key assumptions:

	Group	
	2025	2024
Discount rate at the date of valuation	2.09%-7.13%	2.51%-7.10%
Long-term salary increase	3%-8%	3%-8%

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23. BORROWINGS

	Group		Company	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	$	$	$	$
Non-current				
Bank term loan	-	-	-	-
Current				
Revolving credit facility	14,946,900	7,146,900	-	-
Loan from related company	10,752,390	46,862,381	10,752,390	46,862,381
Bank term loan	(114,116)			
Loan from subsidiary	-	-	1,677,600	1,759,400
	25,585,174	54,009,281	12,429,990	48,621,781
	25,585,174	54,009,281	12,429,990	48,621,781

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Revolving credit facility

The revolving credit facility is secured by the corporate guarantee provided by TVS Supply Chain Solutions Limited ("ultimate holding company") and carries interest at an average of 1.75% to 2.25% plus overnight SORA rate.

The ultimate holding company and its subsidiaries have not defaulted on any of the financial and non-financial covenants as at 31 March 2025.

Loan from related company

The loan from related company is unsecured and repayable on demand. The loan from related company carries interest rate of 7.31%s (2024 : 7.31%) per annum.

Reconciliation of liabilities arising from financing activities

Group

	31 March 2024	Financing cash flows	New lease liabilities	Rent concessions	Other changes[(i)]	31 March 2025
	$	$	$	$	$	$
Bank borrowings	7,146,900	7,800,000	-	-	(114,116)	14,832,784
Lease liabilities	58,482,677	(16,825,621)	11,321,397	-	(68,371)	52,910,082
Loan from related company	46,862,381	(34,636,388)	-	-	(1,473,603)	10,752,390
Amount due to related company	567,485	3,860,763	-	-	-	4,428,248
	113,059,443	(39,801,246)	11,321,397	-	(1,656,090)	82,923,504

	31 March 2023	Financing cash flows	New lease liabilities	Rent concessions	Other changes[(i)]	31 March 2024
	$	$	$	$	$	$
Bank borrowings	71,333,037	(67,157,733)	-	-	2,971,596	7,146,900
Lease liabilities	29,687,500	(17,423,040)	46,462,885	-	(244,668)	58,482,677
Loan from related company	46,010,855	8,200,812	-	-	(7,349,286)	46,862,381
Amount due to related company	3,482,371	(2,914,886)	-	-	-	567,485
	150,513,763	(79,294,847)	46,462,885	-	(4,622,358)	113,059,443

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Company

	31 March 2024	Financing cash flows	Other changes[(i)]	31 March 2025
	$	$	$	$
Bank borrowings	-	-	-	-
Loan from related company	46,862,381	(34,636,388)	(1,473,603)	10,752,390
Loan from subsidiary	1,759,400	-	(81,800)	1,677,600
Amount due to related company	61,556	618,274	-	679,830
	48,683,337	(34,018,114)	(1,555,403)	13,109,820

	31 March 2023	Financing cash flows	Other changes[(i)]	31 March 2024
	$	$	$	$
Bank borrowings	71,333,037	(74,304,633)	2,971,596	-
Loan from related company	46,010,855	9,527,333	(8,675,807)	46,862,381
Loan from subsidiary	-	1,759,400	-	1,759,400
Amount due to related company	2,986,278	(2,924,722)	-	61,556
	120,330,170	(65,942,622)	(5,704,211)	48,683,337

[(i)] Other changes include foreign exchange gain, amortisation of transaction cost on borrowing and equity conversion of $8,675,807.

24. LEASE LIABILITIES

	Group		Company	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	$	$	$	$
Maturity analysis:				
Year 1	19,040,122	17,969,179	-	-
Year 2	17,178,938	15,516,209	-	-
Year 3	11,232,593	13,878,196	-	-
Year 4	9,214,889	8,862,953	-	-
Year 5	477,529	8,578,253	-	-
Year 6	350,915	4,366	-	-
Less: Unearned interest	(4,584,904)	(6,326,479)	-	-
	52,910,082	58,482,677	-	-
Analysis as:				
Current	16,779,749	15,392,829	-	-
Non-current	36,130,333	43,089,848	-	-
	52,910,082	58,482,677	-	-

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

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25. RELATED COMPANY AND RELATED PARTY TRANSACTIONS

The Company is a subsidiary of TVS Supply Chain Solutions Limited, ultimate holding company, is incorporated in India.

(a) Related company transactions

Related companies in these financial statements refer to members of the ultimate holding company's group of companies. The balances are unsecured, interest-free, repayable on demand and expected to be settled in cash unless otherwise stated.

Sale and purchase of goods and services

In addition to the related companies information disclosed elsewhere in the financial statements, the following are significant transactions with related companies at mutually agreed amounts:

	2025	2024
	$	$
Income from logistics services:		
Related companies	9,710,692	7,419,637
Management fees income:		
Related companies	306,128	101,397
Interest and Other income:		
Related companies	170,732	1,153
Freight charges:		
Related companies	7,777,664	2,261,370
Finance and Guarantee fee cost:		
Ultimate holding company	248,324	646,699
Related companies	2,662,364	4,146,345
Management Fees:		
Ultimate holding company	1,977,262	1,731,607
Other Expenses:		
Ultimate holding company	1,746,095	1,432,213
Related companies	416,214	82,012

(b) Related party transactions

Related parties in these financial statements refer to the key management personnel of the Company.

Key management personnel compensation

	2025	2024
	$	$
Remuneration	942,021	2,790,407
	942,021	2,790,407

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, market risk, interest rate risk and foreign currency risk.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to those financial risks or the manners in which it manages and measures the risks.

Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	$	$	$	$
Financial assets				
At amortised cost	95,027,935	85,996,423	24,469,017	19,614,216
Financial liabilities				
Amortised cost	72,925,952	106,254,090	33,206,793	74,964,713
Lease liabilities	52,910,081	58,482,677	-	-
Derivative instruments:				
Designated in hedge accounting relationship	-	3,570,180	-	3,570,180
	125,836,033	168,306,947	33,206,793	78,534,893

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Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers; loans and investments.
The carrying amounts of financial assets represent the maximum credit risk exposure.
Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Group's trade receivables, certain loans and advances and other financial assets.

The Group's current credit risk grading framework comprises the following categories:

Category	**Description**	**Basis for recognizing ECL**
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL (other than trade receivables without significant financing component and contract assets)
Doubtful	Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
In default	Amount is > 90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

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The table below details the credit quality of the Group's financial assets and contract assets, as well as the Group's maximum exposure to credit risk by credit risk grades:

	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount/ credit exposure	Loss allowance	Net carrying amount/ credit exposure
					$	$	$
Group							
31.03.2025							
Trade receivables	16a.	n.a.	(i)	Lifetime ECL (simplified approach)	54,567,770	(2,801,575)	51,766,195
Other receivables	16a.	n.a.	Performing	12-month ECL	7,780,589	-	7,780,589
Amount due from ultimate holding company	17	n.a.	Performing	12-month ECL	4,876,278	-	4,876,278
Amount due from related company	17	n.a.	Performing	12-month ECL	3,669,676	-	3,669,676
Loan to related companies	17	n.a.	Performing		1,913,348	-	1,913,348
Contract assets	16b.	n.a.	(i)	12-month ECL	8,855,274	-	8,855,274
						(2,801,575)	

	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount/ credit exposure	Loss allowance	Net carrying amount/ credit exposure
					$	$	$
Group							
31.03.2024							
Trade receivables	16a.	n.a.	(i)	Lifetime ECL (simplified approach)	46,375,809	(2,689,356)	43,686,453
Other receivables	16a.	n.a.	Performing	12-month ECL	7,256,186	-	7,256,186
Amount due from ultimate holding company	17	n.a.	Performing	12-month ECL	4,874,912	-	4,874,912
Amount due from related company	17	n.a.	Performing	12-month ECL	3,405,249	-	3,405,249
Loan to related companies	17	n.a.	Performing		-		-
Contract assets	16b.	n.a.	(i)	12-month ECL	5,446,973	-	5,446,973
						(2,689,356)	

	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount/ credit exposure	Loss allowance	Net carrying amount/ credit exposure
					$	$	$
Company							
31.03.2025							
Trade receivables	16a	n.a.	(i)	Lifetime ECL (simplified approach)	9,964,705	-	9,964,705
Other receivables	16a	n.a	Performing	12-month ECL	196,435	-	196,435
Amount due from ultimate holding company	17	n.a.	Performing	12-month ECL	4,874,894	-	4,874,894
Amount due from related company	17	n.a.	Performing	12-month ECL	984,805	-	984,805
Loan to related companies	17	n.a.	Performing	12-month ECL	8,466,622	-	8,466,622
						-	

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	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount/ credit exposure	Loss allowance	Net carrying amount/ credit exposure
					$	$	$
Company							
31.03.2024							
Trade receivables	16a	n.a.	(i)	Lifetime ECL (simplified approach)	3,685,355	-	3,685,355
Other receivables	16a	n.a	Performing	12-month ECL	14,747	-	14,747
Amount due from ultimate holding company	17	n.a.	Performing	12-month ECL	4,874,912	-	4,874,912
Amount due from related company	17	n.a.	Performing	12-month ECL	998,932	-	998,932
Loan to related companies	17	n.a.	Performing	12-month ECL	9,912,561	-	9,912,561
						-	

(i) For Trade receivables, the Group and Company has applied the simplified approach in FRS 109 to measure the loss allowance at Lifetime ECL. The Group determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. A credit policy in place which establishes credit limits for customers and monitors their balances on an on-going basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

As at 31 March 2025, the Group has concentration of credit risk in 5 (31 March 2024 : 5) major trade debtors representing approximately 20% (31 March 2024 : 17.48%) of total trade receivables. The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the statement of financial position.

The Group does not require collateral in respect of trade and other receivables.

The allowance account in respect of trade and other receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Cash and fixed deposits are placed with banks and approved financial institutions.

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Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group and the Company's approach to managing liquidity are to ensure, as far as possible, that they will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group and the Company's reputation.

At the end of the reporting period, the Group's current assets exceed its current liabilities.

The Group's policy are to regularly monitor current and expected liquidity requirements and the compliance with lending covenants by the ultimate holding company by reviewing each operating entity's cash flow forecast, to ensure that the Group maintains sufficient reserves of cash, internally generated cash flows, bank borrowing and loans from a related company and financial support from its holding company to meet its liquidity requirements in the short and longer term. The holding company has provided an undertaking to provide continuing financial support to the Group, including not to recall on any amounts owing to the holding company or any of the related companies outside the Group, to enable the Group to continue as a going concern.

Non-derivative financial liabilities

The following tables detail the Group's and Company's remaining contractual maturity for non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The table includes both interest and principal cash flows.

	Weighted average effective interest rate	Within 1 year	Within 2 to 5 years	Adjustment	Total
	%	$	$	$	$
Group					
31.03.2025					
Non-interest bearing		47,225,422	1,240	-	47,226,662
Loan from related party (variable)	8.36%-8.37%	11,651,450	-	(899,060)	10,752,390
Borrowings (variable)	7.22%	16,026,205	-	(1,193,421)	14,832,784
Lease liabilities (fixed)	3%-9%	19,040,122	38,454,863	(4,584,903)	52,910,082

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	Weighted average effective interest rate	Within 1 year	Within 2 to 5 years	Adjustment	Total
	%	$	$	$	$
Group					
31.03.2024					
Non-interest bearing		51,916,816	327,993	-	52,244,809
Loan from related party (fixed)	7.31%	50,288,021	-	(3,425,640)	46,862,381
Borrowings (variable)	5.65% to 6.15%	7,568,238	-	(421,338)	7,146,900
Lease liabilities (fixed)	3%-9%	17,969,179	46,839,977	(6,326,479)	58,482,677

	Weighted average effective interest rate	Within 1 year	Within 2 to 5 years	Adjustment	Total
		$	$	$	$
Company					
31.03.2025					
Non-interest bearing	-	20,776,802	-	-	20,776,802
Loan from related party	8.36% to 8.37%	11,651,450	-	(899,060)	10,752,390
Loan from subsidiary	6%	1,778,256	-	(100,656)	1,677,600
31.03.2024					
Non-interest bearing	-	26,342,932	-	-	26,342,932
Loan from related party	7.31%	50,288,021	-	(3,425,640)	46,862,381
Loan from subsidiary	6%	1,864,964	-	(105,564)	1,759,400

Non-derivative financial assets

All non-derivative financial assets of the Group are non-interest bearing.

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Derivative financial instruments

The following table details the liquidity analysis for derivative financial instruments. The table has been drawn up based on the undiscounted net cash inflows (outflows) on the derivative instrument that settle on a net basis and the undiscounted gross inflows and (outflows) on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the end of the financial year.

	Carrying amount	Contractual cash flows	Within 1 year	Within 2 to 5 years
	$	$	$	$
Group and Company				
31 March 2025				
Derivative - Financial liability	-	-	-	-
31 March 2024				
Derivative - Financial liability	3,570,180	3,570,180	3,570,180	-

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and equity prices will affect the Group and the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Group and the Company's exposure to market risk for changes in interest rates relate primarily to the Group and the Company's cash and cash equivalents and debt obligations. Interest rate risk is managed by the Group and the Company on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates.

The Group and the Company adopt a policy of managing its interest rate exposure by maintaining a mix of debt portfolio with both fixed and floating rates of interest.

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Exposure to interest rate risk

At the reporting date, the interest rate profile of the Group and the Company's interest bearing financial instruments are:

	Note	31.03.2025	31.03.2024
Group		$	$
Financial assets			
Fixed rate instruments			
Loan to related companies	17	1,913,348	-
Financial liabilities			
Fixed rate instruments			
Borrowings	23	10,752,390	46,862,381
Lease liabilities	24	52,910,082	58,482,677
		63,662,472	105,345,058
Variable rate instruments			
Borrowings	23	14,832,784	7,146,900

	Note	31.03.2025	31.03.2024
		$	$
Company			
Financial assets			
Fixed rate instruments			
Loan to related companies	17	8,466,622	9,912,561
Financial liabilities			
Fixed rate instruments			
Borrowings	23	10,752,390	46,862,381
Loan from subsidiary	23	1,677,600	1,759,400
Variable rate instruments			
Borrowings	23	-	-

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, in respect of the fixed rate instruments, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

For the variable rate financial assets and liabilities, a change of 100 basis points (bp) in interest rate at the reporting date would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2024.

	Profit or loss	
	100 bp Increase	100 bp Decrease
	$	$
Group		
31 March 2025		
Variable rate instruments	149,469	(149,469)
31 March 2024		
Variable rate instruments	71,469	(71,469)

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Foreign currency risk

Foreign exchange risk arises from a change in foreign currency exchange rate, which is expected to have an adverse effect on the Group in the current reporting period and in future years. The Group operates in several countries and subsidiary, associated and joint venture companies within the Group maintain their books and records in their respective functional currencies. Fluctuations in the exchange rate between the functional currencies and Singapore Dollar will therefore have an impact on the Group. It is the Group's policy not to hedge exposures arising from such translations. The Group's strategy is to fund overseas operations with borrowings denominated in their functional currencies as a natural hedge against overseas assets.

The Group is also exposed to the volatility in the foreign currency cash flows related to repatriation of the investments in and advances to its subsidiary companies. The Group does not hedge exposures arising from such risks.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Liabilities		Assets	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	$	$	$	$
USD	42,009,198	3,008,219*	49,588,400	13,463,686
EUR	3,452,806	24,628,824	2,752,343	29,783,888
AUD	1,954,933	9,453,701	8,823	8,376,140
GBP	10,172,933	816,522*	25,571	20,635

* Loan from related company denominated in USD 5,535,000 (equivalent to $7,468,376) and GBP 22,556,700 (equivalent to $38,423,083) are not included as foreign currency risk has been hedged using a cross currency swap.

A 5% strengthening of the Singapore dollar against the following currencies as at 31 March would have increased/(decreased) profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2024.

	Profit or loss	
	31.03.2025	31.03.2024
	$	$
USD	378,960	522,773
EUR	(35,023)	257,753
AUD	(97,306)	(53,878)
GBP	(507,368)	(39,794)

A 5% weakening of Singapore dollar against the above currencies at 31 March would have had the equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remain constant.

27. FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments whose carrying amounts approximate fair value

The directors are of the view that the fair values of the financial assets and liabilities with a maturity period of less than one (1) year approximate their carrying amounts as disclosed in the statements of financial position and in the notes to the financial statements due to the short period to maturity.

Some of the Group's financial assets and financial liabilities are measured at fair value as at each reporting date. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets/ financial liabilities	**Fair value as at**							
	2025		**2024**					
Derivative financial instruments	**Asset**	**Liability**	**Asset**	**Liability**	**Fair value hierarchy**	**Valuation technique(s) and key input(s)**	**Significant unobservable input(s)**	**Relationship and sensitivity of unobservable inputs to fair value**
	$	$	$	$				
Cross-currency swap	-	-	-	3,570,180	Level 2	Discounted cash flow Future cash flows are estimated based on exchange rates over the period of derivative maturity dates, discounted at a rate that reflects the credit risk of various counterparties.	N/A	N/A

28. CAPITAL MANAGEMENT

The Board defines capital to include share capital, accumulated profits and other reserves. The Board's objective is to maintain a sound capital base so as to sustain the future development and expansion of the Group's business in order to maintain investor and creditor confidence in the Group.

The Group monitors capital using net debt-to-equity ratio. This ratio is calculated as total borrowings (excluding lease liabilities), net of cash and cash equivalents, divided by total shareholders' equity. The net debt-to-equity ratio was 0.07 as at 31 March 2025 (2024 : 2.190).

There were no changes in the Group's approach to capital management during the financial year.

29. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2025 were authorised for issue in accordance with a resolution of the directors on 22 August 2025.

TVS SCS Singapore Pte. Ltd.

FY 2024-25

TVS SCS Singapore Pte. Ltd.

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The directors hereby present the statement to the members together with the audited financial statements of TVS SCS Singapore Pte. Ltd. (the "Company") for the financial year ended 31 March 2025.

Opinion of the directors

In the opinion of the directors,

(a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and the financial performance, changes in equity and cash flows of the Company for the financial year ended 31 March 2025; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are:

Vittorio Marino Favati
Ananth Krishnan Krishnaswami
Anilkumar Rathi
Ramani Vaidhyanathan (appointed on 28 April 2025)

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967 (the "Act"), the directors who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

	Shareholdings registered in name of director		Shareholdings in which directors are deemed to have an interest	
Name of director and companies in which interests are held	**At beginning of year or date of appointment, if later**	**At end of year**	**At beginning of year or date of appointment, if later**	**At end of year**
TVS Supply Chain Solutions Limited (Ultimate holding company) *(Ordinary shares / share option)*	–	–	–	–
Ravi Prakash Bhagavathula*	343,162	415,009		
Anilkumar Rathi**	253,960	253,960	–	–

*The director was resigned on 28 April 2025.
**This relates to share options that have been vested but not yet exercised by the director.

Share options

During the financial year, there were:

(a) no options granted by the Company to any person to take up unissued shares of the Company; and

(b) no shares issued by virtue of the exercise of options to take up unissued shares of the Company.

At the end of the financial year, there were no unissued shares of the Company under option.

Auditor

Ernst & Young LLP have expressed their willingness to accept the appointment as auditor.

Vittorio Marino Favati
Director

Anilkumar Rathi
Director

Singapore
24 September 2025

Independent auditor's report to the members of TVS SCS Singapore Pte. Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of TVS SCS Singapore Pte. Ltd. (the "Company") which comprise the statement of financial position as at 31 March 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and of the financial performance, changes in equity and cash flows of the Company for the year then ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (the "SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (the "ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (the "ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The financial statements of TVS SCS Singapore Pte. Ltd. for the year ended 31 March 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 24 May 2024.

Other information

Management is responsible for other information. The other information comprises the information included in the directors' statement, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent auditor's report to the members of TVS SCS Singapore Pte. Ltd.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs**,** and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Independent auditor's report to the members of TVS SCS Singapore Pte. Ltd.

Auditor's responsibilities for the audit of the financial statements (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

24 September 2025

TVS SCS Singapore Pte. Ltd.

Statement of profit or loss and comprehensive income
For the financial year ended 31 March 2025

	Note	2025 $	2024 $
Revenue	4	63,766,409	70,215,709
Other operating income	5	2,011,629	11,246,294
Freight and handling expenses		(38,193,175)	(42,166,891)
Employee benefits expense		(8,938,780)	(8,504,648)
Depreciation and amortisation expense		(11,454,764)	(11,262,329)
Other operating expenses	6	(5,836,399)	(4,991,114)
Finance costs	7	(3,102,513)	(935,917)
(Loss)/profit before tax	8	(1,747,593)	13,601,104
Income tax expense	9	(519,850)	(73,669)
(Loss)/profit for the year, representing total comprehensive income for the year		(2,267,443)	13,527,435

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

TVS SCS Singapore Pte. Ltd.

Statement of financial position
As at 31 March 2025

	Note	2025	2024 (restated)
		$	$
ASSETS			
Non-current assets			
Plant and equipment	10	775,334	632,700
Right-of-use assets	11	37,891,751	47,061,986
Investment in subsidiaries	12	15,535,732	15,848,942
Trade and other receivables	13	2,005,514	1,210,830
Deferred tax assets	14	–	511,710
		56,208,331	65,266,168
Current assets			
Contract assets	15	757,862	81,251
Trade and other receivables	13	66,379,432	59,105,223
Cash and cash equivalents	16	6,513,998	2,315,609
		73,651,292	61,502,083
Total assets		129,849,623	126,768,251
LIABILITIES AND EQUITY			
Non-current liabilities			
Trade and other payables	17	1,658,212	1,374,249
Lease liabilities	19	28,234,586	37,534,968
Provisions	20	2,690,704	2,690,704
		32,583,502	41,599,921
Current liabilities			
Trade and other payables	17	36,997,734	31,310,400
Lease liabilities	19	11,079,563	10,077,547
Borrowing	18	14,832,784	7,146,900
		62,910,081	48,534,847
Total liabilities		95,493,583	90,134,768
Equity			
Share capital	21	4,000,000	4,000,000
Deemed capital	22	31,604,980	31,604,980
Foreign currency translation reserve		160,493	160,493
(Accumulated losses)/retained profits		(1,399,433)	868,010
Total equity		34,366,040	36,633,483
Total liabilities and equity		129,859,623	126,768,251

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

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TVS SCS Singapore Pte. Ltd.

Statement of changes in equity
For the financial year ended 31 March 2025

	Share capital $	Deemed capital $	Foreign currency translation reserve $	(Accumulated losses)/retained profits $	Total equity $
Balance at 1 April 2023	4,000,000	31,604,980	160,493	(12,659,425)	23,106,048
Total comprehensive income for the year:					
Profit for the year	–	–	–	13,527,435	13,527,435
Balance at 31 March 2024	4,000,000	31,604,980	160,493	868,010	36,633,483
Total comprehensive income for the year:					
Loss for the year	–	–	–	(2,267,443)	(2,267,443)
Balance at 31 March 2025	4,000,000	31,604,980	160,493	(1,399,433)	34,366,040

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

TVS SCS Singapore Pte. Ltd.

Statement of cash flows
For the financial year ended 31 March 2025

	2025 $	2024 $ (restated)
Operating activities		
(Loss)/profit before tax	(1,747,593)	13,601,104
Adjustments for:		
Depreciation expense of plant and equipment	142,736	1,152,545
Depreciation expense of right-of-use assets (Note 11)	11,312,028	10,109,784
Gain from deregistration of subsidiary (Note 5)	(43,381)	–
Interest income	–	(379,615)
Interest expense on lease liabilities (Note 7)	2,048,510	685,989
Interest expense on loan from related companies (Note 7)	249,617	227,436
Finance cost from third party	804,386	22,492
Dividend income	–	8,950,286
Allowance for impairment - trade and other receivables	26,083	–
Write-back of impairment on loan due form a subsidiary	–	(1,003,131)
Unrealised exchange difference	(543,517)	131,952
Operating cash flows before movements in working capital	12,248,869	33,498,842
Trade and other receivables	(7,302,359)	(6,416,056)
Contract assets	(676,611)	657,822
Trade and other payables	5,691,408	(17,236,488)
Cash generated from operations	9,961,307	10,504,120
Income tax paid	–	(585,379)
Withholding tax paid	(8,141)	–
Interest paid	(19,955)	(249,928)
Interest received	–	379,615
Net cash from operating activities	9,933,211	10,048,428
Investing activities		
Purchase of plant and equipment (Note 10)	(285,370)	(691,983)
Repayment of loan from subsidiaries	–	2,950,115
Loan to related companies	–	211,067
Proceeds from disposal of subsidiary (Note 12)	133,336	–
Investment in subsidiary	–	(6,043,960)
Net cash used in investing activities	(152,034)	(3,574,761)
Financing activities		
Loan from subsidiaries	–	(4,842,948)
Proceeds from bank borrowings	7,685,884	7,146,900
Repayment of interest on bank borrowings	(653,421)	–
Repayment of finance cost on bank borrowings	(131,010)	–
Repayment of principal portion of lease liabilities	(10,440,159)	(10,689,298)
Repayment of interest on lease liabilities	(2,048,510)	(685,989)
Net cash used in financing activities	(5,587,216)	(9,071,335)
Net increase/(decrease) in cash and cash equivalents	4,193,961	(2,597,668)
Cash and cash equivalents at the beginning of the year	2,315,609	5,014,002
Effects of currency translation on cash and cash equivalents	4,428	(100,725)
Cash and cash equivalents at the end of the year (Note 16)	6,513,998	2,315,609

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

1. General

TVS SCS Singapore Pte. Ltd . (the "Company") is a private limited company, incorporated and domiciled in Singapore. The company's immediate is TVS Supply Chain Solutions Pte Ltd, incorporated in Singapore and the ultimate holding companies is TVS Supply Chain Solutions Limited, incorporated in India and listed on Indian Stock Exchange.

The principal place of business and registered office of the Company is located at 21 Changi North Way, Pan Asia Logistics Centre, Singapore 498774.

The principal activities of the company are those of forwarding and freight services. The company has a representative office in Japan.

The principal activities of the subsidiaries are disclosed in Note 12 to the financial statements.

Related companies refer to the TVS Supply Chain Solutions Limited group of companies.

2. Material accounting policy information

2.1 *Basis of preparation*

The financial statements have been prepared on a historical cost basis, except as disclosed in material accounting policy information below, and are drawn up in accordance with Financial Reporting Standards in Singapore ("FRSs").

The financial statements are presented in Singapore Dollars ("$"), except when otherwise stated.

2.2 *Basis of consolidation*

Consolidated financial statements of the company have not been prepared as the company is a wholly owned subsidiary of TVS Supply Chain Solutions Pte Ltd, a company incorporated in Singapore with its registered office at 21 Changi North Way, TVS SCS Logistic Centre, Singapore 498774. TVS Supply Chain Solutions Pte Ltd prepares consolidated financial statements that are publicly available.

2.3 *Adoption of new and amended standards and interpretations*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 April 2024. The adoption of these standards did not have any effect on the financial performance or position of the Company.

2. Material accounting policy information (cont'd)

2.4 *Standards issued but not effective*

The Company has not adopted the following standards that have been issued but not yet effective and relevant to the Company:

Description	*Effective for annual periods beginning on or after*
Amendments to FRS 21 *The Effects of Changes in Foreign Exchange Rates:* Lack of Exchangeability	1 January 2025
Amendments to FRS 109 and FRS 107: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvement to FRSs Volume 11	1 January 2026
Amendments to FRS 109 and FRS 107: Contracts Referencing Nature-dependent Electricity	1 January 2026
FRS 118 *Presentation and Disclosure in Financial Statements*	1 January 2027
FRS 119 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to FRS 110 *Consolidated Financial Statements* and FRS 28 *Investments in Associates and Joint Ventures*: Sales or Contribution of Assets between an investor and its Associate or Joint Venture	To be determined

Other than the below, the director expects that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

FRS 118 Presentation and Disclosure in Financial Statements introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

In addition, narrow-scope amendments have been made to FRS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

FRS 118, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027 but earlier application is permitted and must be disclosed. FRS 118 will apply retrospectively.

The Company is currently working to identify the impacts the amendments will have on the presentation and disclosure of its financial statements.

2. Material accounting policy information (cont'd)

2.5 *Functional and foreign currency*

(a) Functional currency

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be SGD. Sales prices and major costs of providing goods and services including major operating expenses are primary denominated in SGD.

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

(c) Translation of financial statements

In preparing the Company's financial statement, the assets and liabilities of the local and foreign operations (i.e. Japan branch) are translated into S$ at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at average exchange rates for the period, which approximates exchange rates prevailing at the date of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income.

2.6 *Subsidiary*

A subsidiary is an entity controlled by the company. Control is achieved when the company:

- has power over its investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

In the Company's financial statements, investment in subsidiaries are stated at cost, less impairment losses.

2.7 *Plant and equipment*

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset, if and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

2. Material accounting policy information (cont'd)

2.7 *Plant and equipment (cont'd)*

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognises such parts as individual assets with specific useful lives and depreciation, respectively. 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 the statement of comprehensive income as incurred.

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, using the straight-line method, on the following bases:

Computer	-	3 years
Containers	-	5 years
Furniture and fittings	-	5 years
Office equipment	-	5 years
Renovation	-	5 years
Warehouse equipment	-	5 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

Fully depreciated assets that are still in use are retained in the financial statements.

2.8 *Impairment of non-financial assets*

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

2. Material accounting policy information (cont'd)

2.8 *Impairment of non-financial assets (cont'd)*

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.9 *Financial instruments*

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Company 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 that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

2. Material accounting policy information (cont'd)

2.9 *Financial instruments*

(a) Financial assets

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired, or it transfers the rights to receive 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 it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the company has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

2. Material accounting policy information (cont'd)

2.10 *Impairment of financial assets*

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.11 *Provisions*

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2. Material accounting policy information (cont'd)

2.11 *Provisions (cont'd)*

Provision for restoration costs

Provision for restoration costs is recognised as a liability when there is a present obligation to dismantle an asset at the end of its useful life, and the associated costs can be reliably estimated. The provision is measured at the best estimate of the expenditure required to settle the present obligation. This provision is recognised in the cost of the related asset and is subsequently allocated to profit or loss over the asset's useful life through depreciation.

2.12 *Borrowing costs*

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.13 *Government grants*

Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. Government grants whose primary condition is that the company should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit or loss in the period in which they become receivable.

2.14 *Leases*

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.

As lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

2. Material accounting policy information (cont'd)

2.14 *Leases (cont'd)*

As lessee (cont'd)

(a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

Building	5 years
Plant and equipment	1-5 years
Office equipment	1-5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.8.

(b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the 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.

2. Material accounting policy information (cont'd)

2.14 *Leases (cont'd)*

As lessee (cont'd)

(c) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment 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.

2.15 *Revenue recognition*

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or renders service to a customer.

The company generates revenue principally by providing freight forwarding services and warehousing services.

Freight forwarding services

Freight forwarding services include air and sea transportation, custom clearance, documentation, cartage, handling, transfers and delivery of goods. Revenue from outbound freight forwarding is recognised upon departure of goods from port of disembarkation, while revenue from inward freight forwarding is recognised when goods arrive at port of arrival. Management expects that the amount of revenue recognised by these recognition points would approximate the amount of revenue to be recognised over time as services are performed.

Warehousing services

Warehousing Services refers to the provision of the storage of customer's products. Revenue is recognised over time as the customer simultaneously receives and consumes the benefits provided by the company's performance as the company performs, based on the time elapsed. Services are billed on weekly/monthly basis.

Payment for warehousing services performed is not due from the customer until the services are completed or billing milestone is reached, and therefore a contract asset is recognised over the period in which the services are performed representing the company's right to consideration for the services performed to date (Note 8). Conversely, a contract liability, is recognised when the Company has not yet performed under the contract but has received advanced payments from the customer.

Interest income

Interest income from loans to related companies are accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is recognised using the effective interest method.

2. Material accounting policy information (cont'd)

2.16 *Employee benefits*

(a) Defined contribution plans

The Company participates in the national pension schemes as defined by the laws of Singapore in which it has operations. In particular, the Company makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to CPF are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

2.17 *Income tax*

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2. Material accounting policy information (cont'd)

2.17 *Income tax (cont'd)*

(b) Deferred tax (cont'd)

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of he expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

2. Material accounting policy information (cont'd)

2.18 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash at bank and demand deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3. Significant accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 *Judgements made in applying accounting policies*

Management is of the opinion that there are no significant judgements made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2 *Key sources of estimation uncertainty*

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Provision for expected credit losses

When measuring ECL, the company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The carrying amount of trade and other receivables and contract assets are disclosed in Note 13 and 15 to the financial statements respectively.

3. Significant accounting judgements and estimates (cont'd)

3.2 *Key sources of estimation uncertainty (cont'd)*

(b) Impairment of investment in subsidiaries

The recoverable amount of the investment in subsidiaries with indications of impairment are determined based on value-in-use ("VIU") calculations. The VIU calculations are based on a discounted cash flow models. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows. The key assumptions applied in the determination of VIU including a sensitivity analysis, are disclosed and further explained in Note 12 to the financial statements.

4. Revenue

A disaggregation of the company's revenue for the year is as follows:

	2025 $	2024 $
Freight forwarding services	39,836,574	48,752,170
Warehousing services	23,929,835	21,463,539
Total revenue recognised over time	63,766,409	70,215,709

5. Other operating income

	2025 $	2024 $
Dividend income from subsidiaries	–	8,950,286
Gain from deregistration of subsidiary	43,381	–
Payables written back[(i)]	111,276	1,916,393
Management fee income from a related company	1,561,440	–
Interest income from related companies (Note 23)	295,532	379,615
	2,011,629	11,246,294

(i) Payables written back

For the financial year ended 31 March 2025, the amount relates to the remaining balance of payable to a subsidiary which has been written back as the subsidiary had deregistered during the year.

Included in the amount for the financial year ended 31 March 2024 was the written back payable of USD1,425,038.50 (SGD1,905,051) owing to Transtar International Freight (Shanghai) Limited ("Transtar China"). Transtar China voluntarily forgave the debt due to deregistration of the company.

6. Other operating expenses

	2025 $	2024 $
Material handling equipment rental expenses	50,676	6,298
Utilities and maintenance	757,056	859,022
Transportation expenses	259,699	176,175
Legal and professional fees	461,710	310,139
Net foreign exchange loss	39,921	368,055
Telecommunication expenses	70,998	68,143
Management fees to holding company (Note 23)	1,672,172	1,899,610
Computer/IT expenses	515,637	435,793
Allowance for impairment - trade and other receivables (Note 13)	26,083	–
Write-back of impairment on loan due from a subsidiary (Note 13)	–	(1,003,131)
Other administrative expenses	1,982,447	1,871,010
	5,836,399	4,991,114

7. Finance costs

	2025 $	2024 $
Interest on lease liabilities (Note 19)	2,048,510	685,989
Interest on loan from related companies (Note 23)	249,617	227,436
Interest on borrowings	653,421	18,958
Transaction costs on borrowings	131,011	–
Others	19,954	3,534
	3,102,513	935,917

8. (Loss)/profit before tax

(Loss)/profit before tax has been arrived at after charging:

	2025 $	2024 $
Employee expenses:		
- Salaries, wages, bonuses and other costs	7,899,696	7,513,044
- Defined contribution plans included in employee benefits expenses	1,039,085	991,604

9. Income tax expense

	2025 $	2024 $
Withholding tax	8,140	585,379
Deferred tax		
- Origination and reversal of temporary differences (Note 14)	511,710	(511,710)
	519,850	73,669

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 March 2025 and 2024 were as follows:

	2025 $	2024 $
(Loss)/profit before tax	(1,747,593)	13,601,104
Income tax using the statutory tax rate of 17% (2024: 17%)	(297,091)	2,312,188
Non-deductible items	81,629	60,448
Non-taxable items	(7,374)	(1,691,963)
Deferred tax asset not recognised	222,836	112,996
Utilisation of previously unrecognised deferred tax assets	–	(793,669)
Tax effect of previously unrecognised and unused tax losses and tax offsets now recognised as deferred tax asset	–	(511,710)
Deferred tax assets written off	511,710	–
Withholding tax	8,140	585,379
	519,850	73,669

As at 31 March 2025, the Company has unutilised tax losses of approximately $302,346 (2024: $2,209,360) and capital allowances of $13,284,824 (2024: $15,793,324), for which no deferred tax assets have been recognised as the Company assessed that it is not probably that future taxable profits will be available against which the unutilised tax losses can be utilised. During the year, the tax authority conducted a re-assessment of the tax provisions and unutilised tax losses of $5,213,271 and capital allowance of $2,793,870 were utilised.

In 2024, deferred tax asset has been recognised in respect of unutilised tax losses of $3,010,060.

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10. Plant and equipment

	Computers $	Containers $	Furniture and fittings $	Office equipment $	Renovation $	Warehouse equipment $	Total $
Cost:							
At 1 April 2023	2,128,244	148,352	1,276,730	569,335	2,974,007	13,143,770	20,240,438
Additions	68,049	–	8,910	–	177,276	437,748	691,983
Disposal	(32,195)	–	–	–	(7)	–	(32,202)
At 31 March 2024 and 1 April 2024	2,164,098	148,352	1,285,640	569,335	3,151,276	13,581,518	20,900,219
Additions	110,604	–	7,670	–	44,306	122,790	285,370
Disposal	–	(148,352)	–	–	–	–	(148,352)
At 31 March 2025	2,274,702	–	1,293,310	569,335	3,195,582	13,704,308	21,037,237
Accumulated depreciation:							
At 1 April 2023	2,103,558	148,352	1,269,132	566,078	2,915,144	12,144,911	19,147,175
Depreciation for the year	35,403	–	6,307	1,861	35,170	1,073,804	1,152,545
Disposal	(32,201)	–	–	–	–	–	(32,201)
At 31 March 2024 and 1 April 2024	2,106,760	148,352	1,275,439	567,939	2,950,314	13,218,715	20,267,519
Depreciation for the year	40,765	–	2,847	(1,966)	1,928	99,162	142,736
Disposal	–	(148,352)	–	–	–	–	(148,352)
At 31 March 2025	2,147,525	–	1,278,286	565,973	2,952,242	13,317,877	20,261,903
Carrying amount:							
At 31 March 2025	127,177	–	15,024	3,362	243,340	386,431	775,334
At 31 March 2024	57,338	–	10,201	1,396	200,962	362,803	632,700

11. Right-of-use assets

The Company has lease contracts for various items on building, plant and equipment and office equipment used in its operations. The Company's obligations under its leases are secured by the lessor's title to the leased assets. There are no significant judgements placed on extension clauses in the lease contracts.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Building $	Plant and equipment $	Office equipment $	Total $
Cost:				
At 1 April 2023	68,572,492	549,028	429,613	69,551,133
Additions	36,458,790	680,581	473,329	37,612,700
Derecognition	(37,081,897)	(420,991)	(429,613)	(37,932,501)
At 31 March 2024 and 1 April 2024	67,949,385	808,618	473,329	69,231,332
Additions	1,443,209	698,584	–	2,141,793
Derecognition	(1,979,718)	(141,455)	–	(2,121,173)
At 31 March 2025	67,412,876	1,365,747	473,329	69,251,952
Accumulated depreciation:				
At 1 April 2023	(49,256,052)	(349,665)	(386,346)	(49,992,063)
Depreciation for the year	(9,776,011)	(227,292)	(106,481)	(10,109,784)
Derecognition	37,081,897	420,991	429,613	37,932,501
At 31 March 2024 and 1 April 2024	(21,950,166)	(155,966)	(63,214)	(22,169,346)
Depreciation for the year	(10,704,594)	(512,872)	(94,562)	(11,312,028)
Derecognition	1,979,718	141,455	–	2,121,173
At 31 March 2025	(30,675,042)	(527,383)	(157,776)	(31,360,201)
Carrying amount:				
At 31 March 2025	36,737,834	838,364	315,553	37,891,751
At 31 March 2024	45,999,219	652,652	410,115	47,061,986

12. Investment in subsidiaries

	2025 $	2024 $
Unquoted equity shares		
Shares, at cost	16,840,161	17,153,372
Less: Impairment loss	(1,304,430)	(1,304,430)
	15,535,731	15,848,942

As at 31 March 2025 and 31 March 2024, certain investment in subsidiaries was tested for impairment as the carrying amount of the investment in subsidiary exceeded the carrying amounts of the investee's net assets. The recoverable amounts of the subsidiary have been determined based on a value-in-use ("VIU") calculation using cash flow projections based on a financial budget approved by Management. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model. The Company has adopted a discount rate of 8.2% (2024: 10%).

On 30 September 2024, the Company wholly-owned subsidiary, Pan Asia Container Line Pte Ltd was deregistered and the Company received net cash proceeds of $133,336 arising from the deregistration. Accordingly, the Company has recognised a gain of deregistration of $43,381.

On 21 March 2024, the Company made an additional investment in TVS SCS Deutschland GmbH for a consideration of $6,043,960.

Details of the company's significant subsidiaries at 31 March 2025 are as follows:

Name of subsidiaries	Country of incorporation	Proportion of ownership interest		Proportion of voting power held		Principal activities
		2025 %	2024 %	2025 %	2024 %	
TVS SCS Hong Kong Limited	Hong Kong	100	100	100	100	Forwarding and freight services
Pan Asia Container Line Pte Ltd	Hong Kong	–	100	–	100	Forwarding and freight services
TVS SCS India Private Limited	India	100	100	100	100	Forwarding and freight services
TVS SCS Malaysia Sdn Bhd	Malaysia	100	100	100	100	Forwarding and freight services
TVS SCS Logistics Ltd	People's Republic of China	100	100	100	100	Forwarding and freight services

12. Investment in subsidiaries (cont'd)

Details of the company's significant subsidiaries at 31 March 2025 are as follows: (cont'd)

Name of subsidiaries	Country of incorporation	Proportion of ownership interest		Proportion of voting power held		Principal activities
		2025	2024	2025	2024	
		%	%	%	%	
TVS SCS Taiwan Limited	Taiwan	100	100	100	100	Forwarding and freight services
TVS SCS Logistics (Thailand) Limited	Thailand	100	100	100	100	Forwarding and freight services
TVS SCS Vietnam Company Limited	Vietnam	100	100	100	100	Forwarding and freight services
TVS SCS Deutschland GmbH	Germany	100	100	100	100	Forwarding and freight services
TVS SCS (Korea) Ltd	Republic of Korea	100	100	100	100	Freight forwarding and warehouse services
PT TVS SCS Indonesia	Indonesia	100	100	100	100	Forwarding and freight services

13. Trade and other receivables

	2025	2024 (restated)
	$	$
Current assets		
Trade receivables:		
- Third parties	6,337,140	5,570,738
Less: Allowance for expected credit losses	(26,779)	(696)
	6,310,361	5,570,042
- Related companies	(185,787)	227,778
- Subsidiaries	24,832,600	22,580,230
Less: Allowance for expected credit losses	(5,973,527)	(5,973,527)
	18,859,073	16,606,703
Other receivables:		
- Third parties	119,003	150,678
- Immediate Holding company	16,343,006	16,694,537
- Subsidiaries	3,220,126	–
- Related companies	16,638,100	15,303,227
	36,320,235	32,148,442
Loan receivables:		
- Related company	4,271,318	4,235,318
- Subsidiaries	1,543,369	1,543,369
Less: Allowance for expected credit losses	(1,543,369)	(1,543,369)
	4,271,318	4,235,318
Deferred costs	330,096	125,811
Prepayments	474,136	191,129
	66,379,432	59,105,223
Non-current assets		
Deferred costs	1,013,895	503,245
Deposits	991,619	707,585
	2,005,514	1,210,830
Total	68,384,946	60,316,053
Add:		
Cash and cash equivalents (Note 16)	6,513,998	2,315,609
Less:		
Deferred costs	(1,343,991)	(629,056)
Prepayments	(474,136)	(191,129)
Total financial assets carried at amortised cost	73,080,817	61,811,477

13. Trade and other receivables (cont'd)

Trade receivables are non-interest bearing and are generally on 30 days' terms.

Loans receivables from subsidiaries and related company are unsecured, repayable 1 year from date of disbursement and automatically renewed on 12 calendar months basis and bears interest between 4.6% to 6.5% (2024: 0% to 7) per annum.

Including in the trade receivables comprise non-recourse accounts receivables amounted to $57,604 (2024: $266,454). The Company factors certain of its trade receivables and obtained funding of 90% from a financial institution. The Company does not bear the risk of non-payment from the customers.

The movement in allowance for expected credit losses of trade receivables from third parties computed based on lifetime ECL was as follows:

	2025 $	2024 $
Balance at beginning of the year	696	711,276
Written-off	–	(710,580)
Increase/(decrease) in allowance recognised in profit or loss	26,083	–
Balance at end of the year	26,779	696

For the financial year ended 31 March 2025, there are no movement in allowance for expected credit losses of trade receivables from and subsidiaries and loan receivables from subsidiaries. (2024: there is a write-back of impairment on loan due from a subsidiary of $1,003,131).

14. Deferred tax assets

The deferred tax as at 31 March relates to the following:

	2025 $	2024 $
Unutilised tax losses	–	511,710

Deferred tax assets of the company arise from the recognition of unutilized tax losses available for set-off against future taxable income subjected to compliance with certain provision of the tax legislation.

15. Contract assets

Contract assets are initially recognised for revenue earned from freight forwarding services and warehouse services as receipt of consideration is conditional on successful completion of services. Upon completion of services and billing, the amounts recognised as contract assets are reclassified to trade receivables.

At the end of the reporting period, the Company has contract assets of $757,862 (2024: $81,251).

Management estimates the loss allowance on contract assets at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the industry. None of the amounts due from customers at the end of the reporting period is past due. There was no credit allowance provided for during the financial year.

16. Cash and cash equivalents

	2025 $	2024 $
Cash at bank	6,513,998	2,315,609

Included in cash and cash equivalents is an amount of $748,925 (2024: $107,680) and $372,196 (2024: $166,653) denominated in United States Dollars and Euro respectively.

17. Trade and other payables

	2025	2024 (restated)
	$	$
Current liabilities		
Trade payables:		
- Related parties	1,048,788	259,322
- Third parties	4,464,597	4,946,447
- Subsidiaries	25,623,111	18,049,390
Loan from subsidiaries	1,718,656	1,727,104
Other payables:		
- Related parties	1,626,155	–
- Third parties	65,173	226,676
- Subsidiaries	246,908	–
Accruals	1,306,847	5,431,149
Deposits	359,700	326,750
Deferred income	537,799	343,562
	36,997,734	31,310,400
Non-current liabilities		
Deferred income	1,658,212	1,374,249
	1,658,212	1,374,249
Total	38,655,946	32,684,649
Add:		
Borrowings (Note 18)	14,832,784	7,146,900
Lease liabilities (Note 19)	39,314,149	47,612,515
Less:		
Deferred income	(2,196,011)	(1,717,811)
Total financial liabilities carried at amortised cost	90,606,868	85,726,253

Trade payables are non-interest bearing and have an average term of 30 days (2024: 30 days).

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.

Loan from subsidiaries and holding company are unsecured, carries interest at 4.6% to 6.5% (2024: 5% to 7%) per annum and is repayable on 31 December 2025.

18. Borrowings

	2025 $	2024 $
Current		
Revolving credit facility	14,832,784	7,146,900

The revolving credit facility is secured by the corporate guarantee provided by TVS Supply Chain Solutions Limited ("ultimate holding company") and carries interest at an average of 2% plus 1-month SORA rate.

Under the banking facility agreement, the Company and its material subsidiaries is a guarantor for any cross-defaults by related companies. The ultimate holding company and its subsidiaries have not defaulted on any of the financial and non-financial covenants as at 31 March 2025 and 2024.

19. Lease liabilities

	2025 $	2024 $
Maturity analysis:		
Year 1	12,676,423	12,092,268
Year 2	12,523,801	11,880,538
Year 3	9,101,281	11,867,611
Year 4	8,476,673	8,685,516
Year 5	–	8,476,674
	42,778,178	53,002,607
Less: Unearned interest	(3,464,029)	(5,390,092)
	39,314,149	47,612,515
Analysed as:		
Current	11,079,563	10,077,547
Non-current	28,234,586	37,534,968
	39,314,149	47,612,515

The Company does not face a significant liquidity risk regarding to its lease liabilities. Lease liabilities are monitored within the Company's treasury function.

19. Lease liabilities (cont'd)

Reconciliation of liabilities arising from financing activities

The table below details changes in the company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the statement of cash flows as cash flows from financing activities.

	1 April 2024 $	Financing cash flow (i) $	Interest expense $	Additions $	Revaluation $	31 March 2025 $
Loan from subsidiaries	1,727,104	–	–	–	(8,448)	1,718,656
Borrowing	7,146,900	7,685,884	–	–	–	14,832,784
Lease liabilities	47,612,515	(12,488,669)	2,048,510	2,141,793	–	39,314,149
	56,486,519	(4,802,785)	2,048,520	2,141,793	(8,448)	55,865,589

	1 April 2023 $	Financing cash flow (i) $	Interest expense	Additions $	Revaluation $	31 March 2024 $
Loan from subsidiaries	6,570,052	(4,842,948)	–	–	–	1,727,104
Borrowing	–	7,146,900	–	–	–	7,146,900
Lease liabilities	20,689,113	(11,375,287)	685,989	37,612,700	–	47,612,515
	27,259,165	(9,071,335)	685,989	37,612,700	–	56,486,519

(i) The cash flow refers to principal repayment of loans and lease liabilities in the statement of cash flows.

The following are the amounts recognised in profit or loss:

	2025 $	2024 $
Depreciation expense on right-of-use assets (Note 11)	11,312,028	10,109,784
Interest expense on lease liabilities (Note 7)	2,048,510	685,989
Expense relating to short-term leases	50,676	6,298

20. Provision of restoration cost

Provision for restoration costs is recognised as a liability when there is a present obligation to dismantle an asset at the end of its useful life, and the associated costs can be reliably estimated. The provision is measured at the best estimate of the expenditure required to settle the present obligation. This provision is recognised in the cost of the related asset and is subsequently allocated to profit or loss over the asset's useful life through depreciation.

	2025 $	2024 $
Provision for restoration costs	2,690,704	2,690,704

21. Share capital

	2025		2024	
	Number of ordinary shares	**$**	**Number of ordinary shares**	**$**
Issued and paid up:				
At the beginning and end of the year	4,000,000	4,000,000	4,000,000	4,000,000

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the company.

22. Deemed capital

In 2018, quasi-equity loans of $31,604,980 was made from holding company, TVS Supply Chain Solutions Pte Ltd to settle outstanding balances with previous holding company, Pan Asia Logistics Holdings Singapore Pte Ltd. The quasi-equity loans represent an extension of the holding company's investment in TVS SCS Singapore Pte Ltd (formerly known as Pan Asia Logistics Singapore Pte Ltd). The quasi-equity loan is unsecured and interest free. The Company has no contractual obligation to repay and the repayment is at the discretion and ability of the Company.

23. Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	2025 $	2024 $
Services to related companies	8,627,281	3,004,680
Services from related companies	(16,590,345)	(15,395,926)
Management fee income from a related company	1,561,439	–
Interest income from related companies	295,532	379,616
Management fees to holding company	(1,672,172)	(1,899,610)
Interest expense to related companies	(249,617)	(227,436)
Profit share expenses to related companies	(2,347,691)	(2,914,744)
Profit share income from related companies	1,707,299	44,484

Compensation of directors and key management personnel

The remuneration paid to key management personnel of the Company are paid by the immediate holding company and recharged to the Company by way of the management fee.

24. Financial risk management

The Company's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk.

The directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

24. Financial risk management (cont'd)

(a) Credit risk

The company develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The company uses its own trading records to rate its major customers and other debtors.

The Company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis of recognising excepted credit loss ("ECL")
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

24. Financial risk management (cont'd)

(a) Credit risk (cont'd)

The table below details the credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	12-month or lifetime ECL	Gross carrying amount $	Loss allowance $	Net carrying amount $
31 March 2025					
Trade receivables	13	Lifetime ECL (simplified)	30,983,953	(6,000,306)	24,983,647
Other receivables	13	12-month ECL	36,320,235	–	36,320,235
Loan receivables	13	12-month ECL	5,814,687	(1,543,369)	4,271,318
				(7,543,675)	
31 March 2024					
Trade receivables	13	Lifetime ECL (simplified)	28,278,746	(5,974,223)	22,404,523
Other receivables	13	12-month ECL	32,148,442	–	32,148,442
Loan receivables	13	12-month ECL	5,778,687	(1,543,369)	4,235,318
				(7,517,592)	

For trade receivables and contract asset, the company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The company determines the ECL on these items by using a provision matrix, estimated based on historical credit loss experience based on the past default experience of the debtor, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The company has adopted procedures in extending credit terms to customers and in monitoring its credit risk. The company only grants credit to creditworthy counterparties. Cash is held with creditworthy institutions and is subject to immaterial credit loss.

Including in the trade receivables comprise non-recourse accounts receivables amounted to $50,604 (2024: $266,454). The company factors certain of its trade receivables and obtained funding of 90% from a financial institution. The Company do not bear the risk of non-payment from the customers.

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24. Financial risk management (cont'd)

(a) Credit risk (cont'd)

	Trade receivables					
		Days past due				
	Not past due	**≤ 30 days**	**31-60 days**	**61-90 days**	**>90 days**	**Total**
	$	$	$	$	$	$
31 March 2025						
Expected credit loss rate	0.00%	0.02%	0.09%	0.00%	0.00%	
Estimated gross carrying amount at default	4,105,449	1,228,656	250,903	473,402	278,730	6,337,140
Lifetime ECL	(160)	(260)	(230)	(59)	13	(696)
Specific allowance	–	–	–	–	(26,083)	(26,083)
Total ECL	(160)	(260)	(230)	(59)	(26,070)	(26,779)
Net trade receivables						6,310,361
31 March 2024						
Expected credit loss rate	0.00%	0.02%	0.10%	0.00%	0.00%	
Estimated gross carrying amount at default	3,806,101	1,448,057	235,280	43,703	37,597	5,570,738
Lifetime ECL	(160)	(260)	(230)	(59)	13	(696)
						5,570,042

Information regarding loss allowance movement of trade receivables is disclosed in Note 13.

24. Financial risk management (cont'd)

(a) Credit risk (cont'd)

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Other receivables and loan receivables

The Company assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

(b) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Company finances its working capital requirements through a combination of funds generated from operations and bank borrowings. The directors are satisfied that funds are available to finance the operations of the Company.

24. Financial risk management (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount $	Contractual cash flows $	One year or less $	One to five years $
2025				
Financial assets				
Trade and other receivables	66,566,819	66,566,819	65,575,200	991,619
Cash and cash equivalents	6,513,998	6,513,998	6,513,998	–
Total undiscounted financial assets	73,080,817	73,080,817	72,089,198	991,619
Financial liabilities				
Trade and other payables	36,459,935	36,459,935	36,459,935	–
Lease liabilities	39,314,149	42,778,178	12,676,423	30,101,755
Borrowings	14,832,784	15,707,235	15,707,235	–
Total undiscounted financial liabilities	90,606,868	94,945,348	64,843,593	30,101,755
Total net undiscounted financial assets/(liabilities)	(17,526,051)	(21,864,531)	7,245,605	(29,110,136)
2024				
Financial assets				
Trade and other receivables	59,495,868	59,495,868	58,788,283	707,585
Cash and cash equivalents	2,315,609	2,315,609	2,315,609	–
Total undiscounted financial assets	61,811,477	61,811,477	61,103,892	707,585
Financial liabilities				
Trade and other payables	30,966,838	30,966,838	30,966,838	–
Lease liabilities	47,612,515	53,002,607	12,092,268	40,910,339
Borrowing	7,146,900	7,568,238	7,568,238	–
Total undiscounted financial liabilities	85,726,253	91,537,683	50,627,344	40,910,339
Total net undiscounted financial assets/(liabilities)	(23,914,776)	(29,726,206)	10,476,548	(40,202,754)

24. Financial risk management (cont'd)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from borrowings.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the company's exposure to interest rates at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating interest rates. A 100 basis point (2024: 100) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

If interest rates had been 100 basis points (2024: 100) higher or lower and all other variables were held constant, the company's profit before tax for the year ended 31 March 2025 would decrease/increase by approximately $148,328 (2024: $71,469). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings.

(d) Foreign exchange risk

The company has transactional currency exposure arising from sales or purchases that are denominated in currencies other than the functional currency of the company. The foreign currencies in which these transactions are denominated are mainly United States Dollar ("USD") and Euro ("EUR").

The Company's currency exposures to the USD and EUR at the reporting date were as follows:

	2025		2024	
	USD	**EUR**	**USD**	**EUR**
	$	$	$	$
Financial assets				
Trade and other receivables	13,497,219	340,355	15,655,616	8,089,562
Cash and cash equivalents	748,925	372,196	107,680	166,653
	14,246,144	712,551	15,763,296	8,256,215

24. Financial risk management (cont'd)

(d) Foreign exchange risk (cont'd)

	2025		2024	
	USD	**EUR**	**USD**	**EUR**
	$	$	$	$
Financial liabilities				
Trade and other payables	3,284,773	446,566	4,505,942	1,296,536
Borrowing	1,718,656	–	1,727,104	–
	5,003,429	446,566	6,233,046	1,296,536
Currency exposures	9,242,715	265,985	9,530,250	6,959,679

A 10% strengthening of Singapore Dollar against the foreign currencies denominated balances as at the reporting date would decrease profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss (before tax)	
	2025	**2024**
	$	$
United States Dollar	924,272	953,025
Euro	26,599	695,968

A 10% weakening of Singapore Dollar against the above currencies would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

25. Fair values of financial instrument

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Financial instruments whose carrying amount approximate fair value

The carrying amounts of trade and other receivables, cash and cash equivalents and trade and other payables are reasonable approximation of fair values due to their short-term nature or are repriced frequently.

The carrying amount of borrowings and lease liabilities approximates their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

26. Capital management

The company reviews its capital structure at least annually to ensure that the company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the company comprises of borrowings from related companies, issued capital, reserves and accumulated profits.

The company's overall strategy remained unchanged from prior year.

27. Comparative figures

During the current financial year, the Group has identified the following reclassification misstatements due to incorrect mapping of the accounts to the financial statement classification:

i. Classification of intercompany payables within intercompany receivables
ii. Classification of trade receivables as contract assets

Consequently, prior year adjustments are made in these financial statements to correct the error.

	As previously reported $	Prior year adjustment $	As restated $
Statement of financial position 31 March 2024			
Contract assets	532,151	(450,900)	81,251
Trade and other receivables (Note 13)	44,751,508	14,353,715	59,105,223
Trade and other payables (Note 17)	17,407,585	13,902,815	31,310,400
Statement of cash flows For the financial year ended 31 March 2024			
Working capital changes:			
Trade and other receivables	(8,303,681)	1,887,625	(6,416,056)
Contract assets	236,320	421,502	657,822
Trade and other payables	(14,927,361)	(2,309,127)	(17,236,488)
Note 13 Trade and other receivables			
Trade receivables:			
-Third parties	5,119,837	450,900	5,570,737
Less: Allowance for expected credit losses	(696)	–	(696)
Net trade receivables with third party	5,119,141	450,900	5,570,041
Trade receivables due from Subsidiaries	8,677,416	13,902,815	22,580,231
Note 17 Trade and other payables			
Trade payables due to subsidiaries	4,146,575	13,902,815	18,049,390

28. Authorisation of financial statements

The financial statements of the Company for the financial year ended 31 March 2025 were authorised for issue in accordance with a resolution of the directors on 24 September 2025.