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23rd Annual Report 2017-18

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Corporate Information

Board of Directors

Gopal Srinivasan, Chairman
Srilalitha Gopal, Managing Director
(from 11th May, 2018)
D Sundaram
Kenneth Tai (upto 9th November, 2017)
Praveen Chakravarty
Nagendra Palle
M Lakshminarayan
M F Farooqui
Narayan K Seshadri
R S Raghavan

Committees of the Board

Audit Committee

Praveen Chakravarty, Chairman
D Sundaram
Nagendra Palle
M Lakshminarayan
M F Farooqui

Stakeholders' Relationship Committee

D Sundaram, Chairman
Srilalitha Gopal

Nomination and Remuneration Committee

M F Farooqui, Chairman
Srilalitha Gopal
Praveen Chakravarty
M Lakshminarayan
Narayan K Seshadri

Corporate Social Responsibility Committee

Mr. M Lakshminarayan, Chairman
Mr. D Sundaram
Mr. R S Raghavan

Business and Technology Committee

M Lakshminarayan, Chairman
Nagendra Palle
Narayan K Seshadri

Chief Executive Officer

Prakash Katama

Vice President - Finance & Chief Financial Officer

Karthi Chandramouli

Company Secretary & Compliance Officer

S Nagalakshmi

Statutory Auditors

Deloitte Haskins & Sells,
Chartered Accountants
ASV N Ramana Tower, 52,
Venkatnarayana Road
T Nagar, Chennai - 600 017.

Secretarial Auditors

S. Krishnamurthy & Co.,
Practising Company Secretaries,
"Shreshtam",
Old No.17, New No.16,
Pattammal Street,
Mandaveli, Chennai - 600 028

Cost Auditor

P Raju Iyer, Cost Accountant,
17 (Old No.8), "Shree Ram Villa",
Hasthinapuram Main Road,
Nehru Nagar, Chromepet,
Chennai - 600 044.

Bankers

State Bank of India
Canara Bank
IDFC Bank

Website

www.tvs-e.in

Investor E-mail ID

investorservices@tvs-e.in

Corporate Identity Number

L30007TN1995PLC032941

Registered Office

"Jayalakshmi Estates"
29, Haddows Road
Chennai - 600 006
Tel: 91-44-28277155
Email ID: contactus@tvs-e.in

Administrative Office

Arihant E Park, No 117/1
8th & 9th Floor, L B Road
Adyar, Chennai - 600 020
Tel:91-44-4200 5200
Fax No: 91-44-2225 7577

Plant / Repair Factory

Uttarkhand

No. E12, Selaqui Industrial Estate,
Selaqui, Dehradun,
Uttarkhand

Chennai

Valluvarkottam
Tower-1, Bascon Maeru Towers
Kodambakkam High Road,
Chennai - 600 034

Tumkur

Panditanahalli,
Hirehalli Post,
Tumkur District,
Karnataka

Share Transfer Agents

Sundaram - Clayton Limited,
"Jayalakshmi Estates" I Floor
29, Haddows Road
Chennai - 600 006
Tel: 91-44-28272233 / 28307700
Fax No. 91-44-2825 7121
E-mail: investorservices@tvs-e.in
kr.raman@scl.co.in

Shares Listed with

BSE Limited

National Stock Exchange of India Limited

Subsidiary Company

Benani Foods Private Ltd.
(from 29th March, 2018)

Contents

Financial Highlights - Standalone - Ten Years at a glance

₹ in Lakhs

Particulars	PREVIOUS GAAP								IND AS	
	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-14	2014-15	2015-16	2016-17	2017-2018
FINANCIAL HIGHLIGHTS										
Revenue from operations	19,067	19,040	18,162	21,661	23,525	24,742	27,006	59,349	252,316	417,798
Other Income	473	407	199	375	250	220	97	154	307	220
Total Income	**19,540**	**19,447**	**18,361**	**22,036**	**23,775**	**24,962**	**27,103**	**59,503**	**252,623**	**418,018**
Earnings before interest Depreciation and Tax (EBITDA)	439	666	1,083	1,303	1,080	1,375	1,706	1,977	1,747	3,033
Depreciation	476	449	396	504	619	566	697	860	593	446
Profit before Interest and Tax (EBIT)	(37)	217	686	799	461	809	1,009	1,117	1,154	2,587
Finance costs	522	721	623	659	965	743	692	573	281	142
PBT	(559)	(504)	64	141	(504)	66	317	544	873	2,445
Tax Expense	211	(161)	(90)	1	297	26	88	113	240	821
PAT	**(770)**	**(343)**	**154**	**140**	**(801)**	**40**	**229**	**431**	**633**	**1,624**
Share Capital	1,767	1,767	1,767	1,787	1,787	1,802	1,802	1,855	1,861	1,861
Reserves & Surplus	2,523	2,176	2,324	2,464	1,664	1,749	1,969	2,486	4,925	6,496
Networth	4,290	3,943	4,091	4,251	3,451	3,551	3,771	4,341	6,786	8,358
Loan Funds	5,738	6,133	4,498	6,608	6,518	5,796	5,330	3,466	2,137	329
Capital Employed (including borrowings)	10,028	10,076	8,589	10,859	9,969	9,347	9,101	7,807	8,923	8,687
Deferred Tax Liability / (Asset)	202	184	81	48	345	385	376	373	(434)	(171)
Total	**10,230**	**10,260**	**8,670**	**10,907**	**10,314**	**9,732**	**9,477**	**8,180**	**8,489**	**8,516**
Net Fixed Assets	2,422	2,135	1,685	4,929	4,651	4,489	4,073	3,843	3,215	2,798
Investments	1,501	1,501	2,551	811	214	134	134	41	742	523
Current Assets	10,828	9,827	7,526	9,445	9,261	8,735	10,025	11,844	33,951	99,609
Current Liability & Provision	4,521	3,203	3,091	4,278	3,812	3,626	4,755	7,548	29,419	94,414
Net Current Assets	6,307	6,624	4,434	5,167	5,449	5,109	5,270	4,296	4,532	5,195
Total	**10,230**	**10,260**	**8,670**	**10,907**	**10,314**	**9,732**	**9,477**	**8,180**	**8,489**	**8,516**
EPS (₹)	(4.4)	(2.0)	0.9	0.8	(4.5)	0.2	1.3	2.2	3.4	8.7
Dividend (%)	-	-	-	-	-	-	-	-	5%	15% *
Book Value per Share (₹)	24	22	23	24	19	20	21	23	36	45
Return on Capital Employed (ROCE %)	(0.4)%	2.2%	8.0%	7.4%	4.6%	8.7%	11.1%	14.3%	12.9%	29.8%
Return on networth (RONW %)	(18)%	(8.7)%	3.8%	3.3%	-23.2%	1.13%	6.07%	9.93%	9.33%	19.43%
Fixed Asset Turnover Ratio	7.9	8.4	9.5	6.6	4.9	5.4	6.3	15.0	71.5	139.0
Working Capital Turnover Ratio	2.9	2.9	3.3	4.5	4.4	4.7	5.2	12.4	57.2	85.9
Debt Equity Ratio	1.3	1.6	1.1	1.6	1.9	1.6	1.4	0.8	0.3	0.0
EBITDA as % of Sales	2.3%	3.5%	6.0%	6.0%	4.6%	5.6%	6.3%	3.3%	0.7%	0.7%
EBIT as % of Sales	(0.2)%	1.1%	3.8%	3.7%	2.0%	3.3%	3.7%	1.9%	0.5%	0.6%
Net profit as % of Total Income	(3.9)%	(1.8)%	0.8%	0.6%	-3.4%	0.2%	0.8%	0.7%	0.3%	0.4%

The Board of Directors have recommended a divident of ₹ 1.50 per Equity Share of face value of Rs.10/- each for the financial year ended 31^{st} March, 2018.
The dividend will be paid/despatched to the shareholders within 30 days from the date of declaration by the members at the ensuring Annual General Meeting.

Financial Highlights - Standalone - Ten Years at a glance - Segment Wise

₹ in Lakhs

Particulars	PREVIOUS GAAP								IND AS	
	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-14	2014-15	2015-16	2016-17	2017-2018
1 Segment Revenue										
a) IT Products & Technical Services	19,540	19,447	18,361	22,036	23,775	24,962	27,103	29,557	30,225	29,267
b) Distribution Services	-	-	-	-	-	-	-	29,946	222,091	388,531
Net Sales / Income from operations	19,540	19,447	18,361	22,036	23,775	24,962	27,103	59,503	252,316	417,798
2 Segment Results (Profit before tax and										
interest from each segment)										
a) IT Products & Technical Services	(37)	217	686	799	461	872	985	810	(116)	737
b) Distribution Services								94	963	1,261
Total	**(37)**	**217**	**686**	**799**	**461**	**872**	**985**	**904**	**847**	**1,998**
Less: i) Finance cost	522	721	623	659	965	743	692	573	281	142
Add : Other Income									307	220
Profit before tax from ordinary activities before tax and exceptional items	(559)	(504)	64	141	(504)	129	293	331	873	2,076
Add: Exceptional items						(63)	-	189	-	369
Profit from ordinary activities before tax and after exceptional items	(559)	(504)	64	141	(504)	66	293	520	873	2,445
Add: Extraordinary items						-	24	23	-	-
Profit before tax after extraordinary items	(559)	(504)	64	141	(504)	66	317	543	873	2,445
3 Capital Employed										
(Segment Assets - Segment Liabilities)										
a) IT Products & Technical Services	10,028	10,076	8,589	10,859	9,969	9,347	9,101	9,235	7,825	6,345
b) Distribution Services								(1,228)	(2,108)	(2,836)
c) Unallocated								(200)	1,069	4,848
Total	**10,028**	**10,076**	**8,589**	**10,859**	**9,969**	**9,347**	**9,101**	**7,807**	**6,786**	**8,357**
RATIOS										
4 EBIT as % of Sales										
a) IT Products & Technical Services	-0.2%	1.1%	3.7%	3.6%	1.9%	3.5%	3.6%	2.7%	-0.4%	2.5%
b) Distribution Services								0.3%	0.4%	0.3%
Total EBIT as % of Sales	-0.2%	1.1%	3.7%	3.6%	1.9%	3.5%	3.6%	1.5%	0.3%	0.5%

ROCE is Profit before Interest and Tax divided by Capital Employed ; RONW is Profit after Tax divided by Networth.

Movements in Reserves and Surplus represents changes in PAT net of dividend and dividend tax, movement in cost of ESOP and Investment Allowance.

Fixed Assets Turnover Ratio is Sales divided by Average Net Fixed Assets as at the end of the year; Working Capital Turnover Ratio is Sales divided by Average Net Current Assets as at the end of the year.

EBITDA for 2007-08 includes Extraordinary income of ₹ 1,560 lakhs arising out of sale of business and sale of property.
The financial results for the year 2011-12 include the effects of "Customer Support Service" business acquired from TVS-E Servicetec Limited, Chennai effective from 1st October, 2011.
PBT is after exceptional item of expenditure for the FY 2013-14 - ₹ 63.45 Lakhs (Previous Year - NIL)
EBITDA for 2014-15 includes Extraordinary income of ₹ 24 lakhs arising out of sale of land.
EBITDA for 2015-16 includes Extraordinary income of ₹ 24 lakhs arising out of sale of land and exceptional income of ₹ 189 lakhs from sale of long term investments.
EBITDA for 2017-18 includes Exceptional item of ₹ 369 lakhs arising out of sale of land and other assets at Oragadam.
The financial statements for 2017-18 have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.
Up to the year ended March 31, 2017, the company prepared its financial statements in accordance with the requirements of previous GAAP
The date of transition to Ind AS is April 1, 2016 and hence the previous year financials have been restated as per Ind AS to make it comparable
The financial results have been regrouped/reclassified wherever necessary as per the requirements

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Company will be held at Sri Thyaga Brahma Gana Sabha (Vani Mahal), No.103, G N Chetty Road, T. Nagar, Chennai - 600 017 on Thursday, 9th August, 2018 at 10.00 a.m. to transact the following business.

ORDINARY BUSINESS

1. **To consider and pass the following resolution as an Ordinary Resolution:**

   "**RESOLVED THAT** the following Audited Financial Statements and reports of the Company, for the financial year ended 31st March, 2018, as circulated to the shareholders be and are hereby adopted:

   a. Standalone and Consolidated Financial Statements;

   b. Reports of the Auditors on the Standalone and Consolidated Financial Statements; and

   c. Report of the Board of Directors on the Standalone Financial Statement".

2. **To consider and pass the following resolution as an Ordinary Resolution:**

   "**RESOLVED THAT** dividend of ₹ 1.50 (Rupee One and Paise Fifty only) per Equity Share, as recommended by the Board of Directors of the Company, be and is hereby declared on 1,86,12,818 Equity Shares of face value of ₹ 10/- each for the year ended 31st March 2018 and the same be paid to members whose names appear in the Register of Members of the Company and as per the record of the depositories as on 2nd August 2018."

3. **To consider and pass the following resolution as an Ordinary Resolution:**

   "**RESOLVED THAT** Mr. Narayan K Seshadri (DIN: 00053563) Non-Executive Non-Independent Director, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company".

SPECIAL BUSINESS

4. **To consider and pass the following resolution as an Ordinary Resolution:**

   "**RESOLVED THAT** the remuneration of ₹ 1.50 Lakhs plus applicable taxes and out of pocket expenses at actuals, payable to Mr. P. Raju Iyer, Cost Accountant (Membership No.6987) who was appointed by the Board of Directors of the Company to conduct cost audit for the financial year 2018-19 in terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, be and is hereby ratified".

5. **To consider and pass the following resolution as a Special Resolution:**

   "**RESOLVED THAT** in terms of Section 196, 197, 203, Schedule V and other applicable provisions, if any, of Companies Act, 2013 and the rules made thereunder, (the Act 2013), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of the Company be and is hereby accorded for the appointment of Mrs. Srilalitha Gopal (DIN 02329790) as a whole-time key managerial personnel in the position of Managing Director for a period of 5 (five) years from 11th May 2018 to 10th May 2023, on the terms and conditions including the remuneration as set out below, based on the recommendation of the Nomination and Remuneration Committee.

	Particulars of Remuneration	Annual Remuneration (₹ in Lakhs)
1.	Basic Salary (@ ₹ 5 Lakhs pm)	60.00
2.	Allowances and perquisites	40.00
3.	Total	100.00
4.	Variable pay	50.00
	Total (3 + 4)	**150.00**

1. The Allowances and Perquisites include Company's contribution to Provident Fund or National Pension Scheme or any other pension Scheme as may be in force from time to time, Gratuity, Leave Travel Allowance and encashment of earned leave as per the rules of the Company.
2. She will also be eligible for:

   a. Company maintained car with driver for official purposes which shall be borne by the Company. Use of Company car for private purposes shall be dealt with the Company as per the applicable provisions under the Income Tax Rules, 1962.

   b. Company owned IT and communication equipments including maintenance and subscription thereof, shall be borne by the Company.

RESOLVED FURTHER THAT the perquisites to be extended to her as part of the remuneration package be evaluated at actual cost to the Company and where it is not possible to ascertain actual cost, such perquisites shall be evaluated as per Income-tax Rules, 1962 in force or as amended from time to time.

RESOLVED FURTHER THAT Mrs. Srilalitha Gopal will not be entitled to any sitting fees for attending the meetings of the Board or Committees thereof, unless otherwise decided by the Board of Directors of the Company.

RESOLVED FURTHER THAT the approval of the Company be and is hereby accorded to enable the Board of Directors, based on specific recommendation(s) of the Nomination and Remuneration Committee, to enhance, enlarge, widen, alter or vary the scope, quantum and components of her remuneration specified hereinabove, in light of and in conformity with the relevant provisions of the Companies Act 2013 / Income Tax Act 1961 and/or the rules and regulations made there under and/or such guidelines, as may be announced by the Central Government or regulatory authority, from time to time.

RESOLVED FURTHER THAT in the event of Mrs. Srilalitha Gopal drawing remuneration as a managerial personnel in any other Company, the aggregate of the remuneration drawn from both the companies shall not exceed the higher maximum limit admissible from any one of such companies.

RESOLVED FURTHER THAT the remuneration payable to Mrs. Srilalitha Gopal shall not result in the total managerial remuneration paid by the company for any financial year during her tenure exceeding the maximum permissible limit of net profits as laid down under Section 197 of the Companies Act, 2013.

RESOLVED FURTHER THAT the remuneration payable to Mrs. Srilalitha Gopal, in the event of loss or inadequacy of profits in any financial year during her tenure, shall be the same as set out above, subject to the maximum applicable limit under Part II Section II Para A of Schedule V of Companies Act 2013, read with provisos thereunder, based on the effective capital of the Company.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorized to enter into an agreement on behalf of the Company with Mrs. Srilalitha Gopal.

RESOLVED FURTHER THAT all the Directors and the Secretary of the Company be and are hereby severally authorized to obtain necessary consents, permissions or approvals as may be required for the remuneration payable to her on such appointment or at any point of time during her tenure, and to do all such acts and deeds, as may be necessary in order to give effect to the aforesaid resolutions."

By Order of the Board

Chennai
11th May, 2018

S. Nagalakshmi
Company Secretary

Registered Office:
"Jayalakshmi Estates"
29, Haddows Road, Chennai - 600 006

NOTES

1. **A Member entitled to attend and vote at the meeting is entitled to appoint one or more Proxies to attend and vote instead of himself and the Proxy or Proxies so appointed need not be a Member or Members as the case may be of the Company.**

2. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company.

3. A member holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy provided that such person shall not act as a Proxy for any other member.

4. The instrument appointing the Proxy and the Power of Attorney or other authority, if any, under which it is signed or a certified copy of that Power of Attorney duly notarised or other authority shall be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for holding the meeting. Proxies/ authorisations submitted on behalf of the companies, LLPs, societies etc., must be supported by an appropriate resolution/authority, as applicable.

5. The statement pursuant to Section102 of the Companies Act, 2013 setting out of material facts concerning the items of special business specified above is annexed hereto.

6. The Company does not have any unclaimed dividend amount which has fallen due for transfer to Investor Education and Protection Fund (IEPF).

7. The Members may note that on account of the amendment made to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on 8th June, 2018, **the Company will not be in a position to entertain the request for registration of physical transfer of shares on or after 5th December, 2018. Hence, Members holding shares in physical form, in their own interest, are requested to dematerialise the shares to avail the benefits of electronic holding as well as trading.**

8. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company / Depository Participants. Hard copies of the Annual Report will be sent on request. For members who have not registered their emailIDs with the Company / Depository Participants, hard copy of the Annual Report is being sent.

9. Members holding shares in physical form are requested to notify immediately any change in their address/E-mail address to the Company/its Share Transfer Agents.

10. Members holding shares in electronic form are requested to advice change of address/E-mail address to their Depository Participants. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.

11. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the meeting.

12. Members who have received the Annual Report in electronic mode and who intend to attend the meeting in person or through proxy are requested to bring a printed copy of the attendance slip to the meeting hall.

13. Members / Proxies attending the meeting should submit the duly signed attendance slip at the entrance of the Hall to attend the meeting.

14. Corporate members intending to send their authorised representatives to attend the Meeting are

requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

15. Members of the Company had approved the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, as the Statutory Auditors at the Twenty Second AGM of the Company for a period of five years. In accordance with the Companies (Amendment) Act, 2017, effective 7th May, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.

16. The Notice of the Annual General Meeting and the Annual Report will be available on the Company's website www.tvs-e.in. All relevant documents referred to in the accompanying Notice will be open for inspection at the Registered Office of the Company **between 2.00 pm and 4.00 pm** on all working days till 8th August, 2018.

17. As per the provisions of Companies Act, 2013, nomination facility is available for members holding shares in physical form. The nomination forms can be obtained from the Company's Share Transfer Agents by the members holding shares in physical form. In respect of members holding shares in electronic form, the forms may be obtained from the Depository Participant with whom they are maintaining their demat account.

18. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 **has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders.** Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Company's Share Transfer Agents by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member printed on it. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.

19. **Remote E-voting facility:**

    (a) In compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company provides remote e-voting facility to all the shareholders, through remote e-voting platform of National Securities Depository Limited (NSDL), for voting on all the resolutions to be passed in the 23rd Annual General Meeting.

    (b) **Voting rights** will be reckoned on the basis of the number of shares registered in the names of the members / beneficial owners **as on the cut-off date** fixed for this purpose, viz., Thursday, 2nd August, 2018.

    (c) The Company has appointed Mr. K. Sriram partner of M/s. S. Krishnamurthy & Co., Practising Company Secretaries, Chennai as scrutinizer for conducting the remote e-voting and also the physical ballot process in the Annual General Meeting in a fair and transparent manner.

    (d) **The instructions for remote e-voting are as under:**

    Members receiving e-mail from NSDL (for members who have registered their email Ids with the Company / Depository Participants)

    i. Open e-mail and then Open PDF file viz., **"TVS Electronics Limited – 23rd AGM e-voting.pdf"** with the Client ID or Folio number as password. The PDF file contains the User ID and Password for e-voting. Please note that the password is an initial password which requires to be changed when the password change menu appears.

ii. Open your web browser during the voting period and log on to the e-voting website www.evoting.nsdl.com

iii. Click on Shareholder - Login

iv. Enter User ID and Password as initial password noted in step (i) above. Click Login.]

v. Password change menu appears. Change the password with new password with minimum 8 digits / characters or combination thereof. Please note the new password. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential.

vi. Home page of e-voting opens. Go to "e-voting" icon and select "Active E-Voting Cycles".

vii. Select "EVEN" of TVS Electronics Limited

viii. Cast your vote and select "Submit" and "Confirm" when prompted.

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

x. Once the member has voted on the resolution, such member will not be allowed to modify their vote, subsequently.

xi. Institutions members (i.e other than individuals, HUF, NRI, etc) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with the attested specimen signature of the duly authorised signatory(ies), who are authorized to vote, to the Scrutinizer through email:sriram.krishnamurthy@rediffmail.com with a copy marked to evoting@nsdl.com and kr.raman@scl.co.in.

(e) In case of any queries, Members may refer tothe Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads section of www.evoting.nsdl.com or contact NSDL at 022-24994600.

(f) If members are already registered with NSDL for e-voting, then they can use their existing user ID and password for casting the vote.

(g) Members can also update their mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

(h) For members who received the notice of Annual General Meeting in physical form, initial password is provided in the Attendance Slip. Members are requested to follow instruction given in Sl. No.(i) to (ix).

(i) The remote e-voting period commences on Monday, 6th August 2018 at 10.00 am and ends on Wednesday, 8th August, 2018 at 5.00 pm. During this period, members holding shares as on Thursday, 2nd August, 2018 may cast their votes electronically. Thereafter, the remote e-voting facility will be disabled for voting by NSDL. Once a vote on a resolution is cast by a member, such member will not be allowed to change it subsequently.

(j) The members attending the meeting who have not already cast their vote through remote e-voting, shall be able to exercise their voting rights at the meeting. For such members, physical ballot will be provided by the Company at the meeting. The members who have already cast their vote through remote e-voting can attend the meeting but shall not be entitled to cast their vote again at the meeting. In terms of Regulation 39(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, voting rights on shares lying in the Unclaimed Shares Suspense account, shall remain frozen till the rightful owner claims the shares.

(k) The Scrutinizer will submit his report on the remote e-voting and voting at the meeting to the Chairman or Company Secretary or any other authorised Director, who will declare the result of the voting within 48 hours from the conclusion of the Annual General Meeting.

(l) The result of the voting with details of the number of votes cast for and against each resolution, invalid votes and whether the resolution has been carried or not shall be displayed on the notice board of the Company at its Registered Office and at the Administrative Office. Further, the results of the voting along with the Scrutinizer's Report shall also be placed on the Company's website www.tvs-e.in and on the website of the NSDL and also communicated to the Stock Exchanges.

(m) In case of any queries, members may contact the Company at investorservices@tvs-e.in, or sclshares@gmail.com.

20. The profile of Directors seeking appointment / re-appointment forms integral part of the Notice. The Directors have furnished the requisite consent and declarations.

I Mr. Narayan K. Seshadri

Born on 13th April, 1957, Mr. Narayan K Seshadri is a Chartered Accountant, focuses on business transformation enabling companies to continually address challenges arising from economic, regulatory and technological changes. With over 40 years of experience across different sectors and countries, many enterprises he has counselled are now multibillion dollar businesses continuing to grow.

He founded Tranzmute, a Management and Business Transformation Services enterprise that works with underperforming businesses of high potential and stressed assets to transform them into robust rapidly growing companies. Tranzmute's outcome based business model drives it's economic upsides and its portfolio includes Industrial, Retail, Technology and Financial services businesses.

He is also a non-executive Chairman of several listed Indian companies including Magma Fincorp, PI Industries, AstraZeneca Pharma India and is an independent director of several other leading companies.

Mr. Narayan K Seshadri was appointed as Non Executive Non Independent Director on the Board of Directors on 6th May 2015. M/s. Tranzmute Business Advisory LLP, in which Mr. Narayan K Seshadri is a Partner, holds 3,50,000 Equity Shares representing 1.88% of the paid-up capital in the Company. Mr. Narayan K Seshadri holds 5,30,000 equity shares of the Company comprising of 2.85% of total paid up share capital of the Company. He is not related to any Director of the Company.

The other directorships and memberships of committees held by Mr. Narayan K Seshadri are provided hereunder:

S No.	Name of the Company	Nature of interest	Committee Memberships/ Chairmanships
1.	PI Industries Limited	Chairman & Member	1. Management Advisory Committee, Member 2. Audit Committee, Chairman 3. Nomination and Remuneration Committee, Member
2.	Magma Fincorp Limited	Chairman	1. Audit Committee, Chairman 2. Nomination and Remuneration Committee, Member 3. Review Committee, Member 4. Risk Management Committee, Member
3.	Kalpataru Power Transmission Limited	Director	1. Risk Management Committee, Chairman 2. Audit Committee, Member
4.	Wabco India Limited	Director	1. Audit Committee, Chairman 2. Nomination and Remuneration Committee, Chairman
5.	AstraZeneca Pharma India Limited	Chairman	1. Audit Committee, Member 2. Nomination and Remuneration Committee, Member
6.	SBI Capital Markets Limited	Director	1. Committee of Directors, Member 2. Audit Committee, Chairman 3. HR Committee, Chairman 4. Risk Management Committee, Chairman 5. Nomination and Remuneration Committee, Chairman 6. Corporate Social Responsibility Committee, Chairman 7. Information Technology Strategy Committee, Member
7.	TVS Investments Private Limited	Director	–
8.	IRIS Business Services Limited	Director	1. Nomination and Remuneration Committee, Member 2. Special Committee, Member
9.	The Clearing Corporation of India Limited	Director	1. Risk Management Committee, Member 2 HR Committee, Member 3. Nomination and Remuneration Committee, Member
10.	Radiant Life Care Private Limited	Director	–
11	KKR ARC India Private Limited	Director	–
12	TVS Wealth Private Limited	Director	–
13	Kritdeep Properties Private Limited	Director	–
14	Tranzmute Capital & Management Private Limited	Director	–
15	Halcyon Resources & Management Private Limited	Director & Member	–
16	Halcyon Enterprises Private Limited	Director & Member	–
17	A2O Software India Private Limited	Director & Member	–

II. Mrs. Srilalitha Gopal

Born on 27th May, 1967, Mrs. Srilalitha Gopal is an Engineering graduate in Computer Science from IISc, Bangalore. She was appointed as a Director on the Board of Directors of the Company with effect from 10th November 2011. Over the last two years, she has been leading various strategic initiatives of the Company which contributed to the growth and profitability of the Company.

She is a member of Stakeholders Relationship Committee and Nomination and Remuneration Committee and was actively engaged in the governance process.She provides active directional support to the group companies in their CSR initiatives.

She is the Managing Director of Harita Techserv Limited, a design engineering and skilled technical engineering resources company since 2008. She does not hold any shares in the Company. She is the spouse of Mr. Gopal Srinivasan, the Chairman of the Company.

The other directorships held by Mrs. Srilalitha Gopal are provided hereunder:

S No.	Name of the Company	Nature of interest
1.	Harita Techserv Limited	Managing Director
2.	TVS Investments Private Limited	Director

She does not hold any committee memberships in the aforesaid companies.

By Order of the Board

Chennai
11th May, 2018

S. Nagalakshmi
Company Secretary

Registered Office:
"Jayalakshmi Estates", 29, Haddows Road, Chennai - 600 006

Statement of material facts pursuant to Section 102 of the Companies Act, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item 5

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on 11th May 2018, approved the appointment of Mr. P Raju Iyer, Cost Accountant (Membership No. 6987) as Cost Auditor of the Company, in terms of Section 148 of the Companies Act, 2013 and fixed a sum of ₹ 1.50 Lakhs plus applicable taxes as may be applicable and reimbursement of out of pocket expenses, as remuneration payable to him, for the financial year 2018-19. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be approved by the Members of the Company. Accordingly, consent of the Members is sought for the remuneration payable to the Cost Auditors.

None of the Directors or Key Managerial Personnel and / or their relatives has any concern or interest, financial or otherwise, in this item of business.

The Board of Directors recommends his appointment and the remuneration as set out in the resolution.

Item 6

In the light of expansion in business activities and to enable to focus on strategic long term decisions, the Board of Directors, based on the recommendation from Nomination and Remuneration Committee, at its meeting held on 11th May, 2018, approved the appointment and remuneration of Mrs. Srilalitha Gopal as Managing Director, for a period of 5 years from 11th May 2018 till 10th May 2023 for a remuneration of ₹ 1.50 Cr., as set out in the said resolution, subject to the approval of shareholders. The Company also entered into an agreement on 11th May 2018 with Mrs. Srilalitha Gopal in this regard.

The total remuneration as set out in the resolution will not exceed the maximum permissible limit of the net profits of the Company, as set out under Section 197 of Companies Act, 2013, every year. In the event of loss or inadequacy of profits in any financial year, Mrs. Srilalitha Gopal will be paid the same remuneration as set out in the resolution, subject to the maximum applicable limit under Part II Section II Para A of Schedule V of Companies Act, 2013, read with provisions thereunder, based on the effective capital of the Company. In the event of Mrs. Srilalitha Gopal drawing remuneration from any other Company including Harita Techserv Limited, such remuneration will not exceed the higher limit permissible from any one of the companies.

Mrs. Srilalitha Gopal and Mr. Gopal Srinivasan are deemed to be concerned or interested in the resolution.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives is concerned or interested in this resolution.

The Board of Directors recommends her appointment and the remuneration as set out in the resolution.

By Order of the Board
S. Nagalakshmi
Company Secretary

Chennai
11th May, 2018

Registered Office:
"Jayalakshmi Estates", 29, Haddows Road, Chennai - 600 006

STATEMENT OF INFORMATION REQUIRED UNDER SECTION II, PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I	GENERAL INFORMATION	
1.	Nature of Industry	Computer Peripherals and IT enabled services
2.	Date or expected date of commencement of commercial production	Already commenced production 27 years back
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4.	Financial performance based on given indicators	(see table below)
5	Foreign investments or collaboration, if any	The Company has no foreign investments or collaborations

₹ In Lakhs

Particulars	2015-16	2016-17	2017-18
Gross income	59,503	2,52,623	4,18,018
Capital employed	7,807	8,923	8,687
Networth	4,341	6,786	8,358
Profit / (Loss) before tax	544	873	2,445
Profit / (Loss) after tax	431	633	1,624
Dividends	-	50 Paise per Equity Share of ₹ 10/- each	Board has recommended ₹ 1.50 per Equity Share of ₹ 10/- each

II INFORMATION ABOUT THE APPOINTEE

1 Background Details

Mrs. Srilalitha Gopal is an Engineering graduate in Computer Science from IISc, Bangalore.

She was appointed as a Director on the Board of Directors of the Company with effect from 10th November 2011.

She is the Managing Director of Harita Techserv Limited, a design engineering and skilled technical engineering resources Company since 2008.

2 Past remuneration

She has drawn ₹ 51 Lakhs p.a as remuneration from HaritaTechserv Limited for the past 3 years, i.e, FY 15-16, FY 16-17 and FY 17-18.

<table>
<tr>
<td>3</td>
<td>Job profile and her suitability</td>
<td>Job Profile:
As the Managing Director of the Company, she will be having all powers to manage the affairs of the Company.
Suitability:
a. Her qualification as the Engineering graduate in computer science.
b. Her active association as a Director of the Company for nearly seven years.
c. Her active engagement in leading various strategic initiatives in the Company over the last few years, that has contributed to the growth and profitability of the Company.
d. Her contribution as a member of Stakeholders relationship Committee and Nomination and Remuneration Committee
e. Her experience as Managing Director of Harita Techserv Limited over the past 10 years.
f. Her directional support in the governance process.</td>
</tr>
<tr>
<td>4</td>
<td>Remuneration proposed: By way of salary, allowances and perquisites and Variable pay, etc</td>
<td>
<table>
<tr><th>Description</th><th>₹ Lakhs p.a</th></tr>
<tr><td>Basic Salary</td><td>60.00</td></tr>
<tr><td>Allowances & Perquisites</td><td>40.00</td></tr>
<tr><td>Variable pay</td><td>50.00</td></tr>
<tr><td>Total *</td><td>150.00</td></tr>
</table>
1. The Allowances and Perquisites include Company's contribution to Provident Fund or National Pension Scheme or any other pension Scheme as may be in force from time to time, Gratuity, Leave Travel Allowance and encashment of earned leave as per the rules of the Company.
2. She will also be eligible for:
a. Company maintained car with driver for official purposes which shall be borne by the Company. Use of Company car for private purposes shall be dealt with the Company as per the applicable provisions under the Income Tax Rules, 1962.
b. Company owned IT and communication equipments including maintenance and subscription thereof, shall be borne by the Company.</td>
</tr>
</table>

	* In the event of loss or inadequacy of profit, the remuneration as set out in the table above shall be the minimum remuneration, subject to the maximum permissible limit under the Companies Act, 2013.	
5	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of origin)	The remuneration proposed is comparable with the remuneration being offered to the similar position in the electronic industry. It is also in line with the Company' s remuneration policy, the profile of the position and the person.
6	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Apart from drawing sitting fees as a Director, she is not having any pecuniary relationship directly or indirectly with the Company. After her appointment as Managing Director, she will be drawing the proposed remuneration with effect from 11th May 2018. She is the spouse of Mr. Gopal Srinivasan, Chairman of the Company. She is not related to any other director or key managerial personnel of the Company
III	**Other information**	
1	Reasons for loss or inadequate profits	Does not arise at present, considering that the Company has improved its profitability
2	Steps taken or proposed to be taken for improvement	Company is continuously taking steps to improve the profitability
3	Expected increase in productivity and profit in measurable terms	The Company expects to maintain its present growth rate.

Your Directors have pleasure in presenting the 23rd Annual Report of your Company for the financial year ended 31st March 2018. The Management Discussion and Analysis (MDA) is an integral part of this report.

Financial Results

The financial performance of the Company for the year ended 31st March 2018 is summarized below. The financial statements for the year have been prepared in accordance with the new mandatory accounting standard Ind AS and necessary changes were made to the corresponding figures of the previous year.

Standalone (₹ in Lakhs)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Revenue from operations	417,798	252,316
Earnings Before Interest & Tax (EBIT)	2,218	1,154
Profit/ (Loss) Before Tax (PBT) and exceptional items	2,076	873
Exceptional items / Extra-ordinary Items	369	–
Profit / (Loss) Before Tax	2,445	873
Profit / (Loss) After Tax (PAT)	1,624	633
Add: Brought forward from previous year	2,981	2,348
Less: Dividend on equity shares (incl. taxes)	(112)	–
Retained earnings	4,493	2,981

Company performance

During the year under consideration, the Company improved its margins on its IT Products and Technical Services due to productivity improvement measures and cost management initiatives undertaken. The margins from Distribution business was also higher owing to higher volumes of mobile phones distributed by the Company. The revenue figures are not directly comparable due to method of accounting followed on account of GST effective 1st July, 2017.

Earnings before interest and taxes for the year have almost doubled to ₹ 2,218 lakhs from ₹ 1,154 lakhs, thanks to strong performance from almost all our segments. IT Products and Technical Services turned around significantly to post an EBIT of ₹ 1,106 lakhs in FY 17-18 from a loss before interest and taxes of ₹ 116 lakhs the previous year. The EBIT from Distribution Services also increased to ₹ 1,261 lakhs from ₹ 963 lakhs. Other income for the year was at ₹ 220 lakhs vis-à-vis ₹ 307 lakhs the year before. The growth in EBIT has resulted in the Company's Profit Before Exceptional items rising to ₹ 2,076 lakhs in FY 17-18, from ₹ 873 lakhs the previous year.

The free cash flow growth continued to be robust for the third year in succession resulting in reduced borrowing and consequently reduced finance cost to the Company. During the year, as part of consolidation exercise, the Company shifted its small PoS products manufacturing facility from Oragadam, Chennai to its main facility at Dehradun.

The profit before tax for FY18 was ₹ 2,445 lakhs, an almost three-fold increase from the previous year's number of ₹ 873 lakhs. The PAT increased to ₹ 1,624 lakhs from ₹ 633 lakhs.

During the year the Company successfully amalgamated its wholly owned subsidiary Prime Property Holdings Limited (PPHL) with itself, after requisite approvals from its shareholders and the National Company Law Tribunal. This added over ₹ 7 cr to the net worth of the Company.

FY18 had been a year of watershed reforms in India, which have turned out to be disruptive for businesses that were ill-prepared for change. Even as India Inc was in the process of recuperating from the demonetization of high-value currency notes in November 2016, the Centre decided to expedite the transition to Goods and Services Tax, which was introduced with effect from July 2017.

However, the Company had viewed both these policy actions as opportunities to leapfrog its market share and growth metrics. The supply chain was thoughtfully planned in advance of the GST rollout, timely changes in tax rates and procedures were incorporated into the ERP application, and channel supplies were enhanced to captalise on the momentum. The market was quite receptive to early movers post- GST. As a result the Company registered over 30% volume growth in Thermal and Label Printers and over 23% in Scanners for the year. However, traction in business from the Government and the banking sector remained subdued even several months after the introduction of GST.

On the Technical Services front, there was significant improvement in the last quarter as the Company bagged new enterprise orders to install and service EDC terminals, Air Conditioners, TVs and IT assets.

During the year, the footprint for the Company's retail walk-in services was extended to 119 partner centers and 54 own centers. The take-off in consumer electronics is expected to generate considerable growth potential for this technical services business, as there are a very few national players in this segment. Leveraging on its rich experience, the Company continues to provide best in class services to the customers with a strong value proposition to the brands it is associated with.

The Company has renewed its Distribution contract for the year and has commenced selling television sets in addition to mobile phones and accessories. With installation capabilities added to this offering, it may usher in synergistic benefits to this segment. Nonetheless, your Company views the dynamics of Distribution services segment as very volatile and susceptible to macroeconomic and regulatory changes.

Dividend

The Directors are pleased to recommend a dividend of ₹ 1.50 per equity share for the financial year ended 31st March 2018 (Previous Year 50 paise per equity share). The dividend, if approved by shareholders would absorb ₹ 336.58 lakhs, including taxes (Previous year 112.54 lakhs, including taxes) on 1,86,12,818 Equity Shares of ₹ 10/- each and will be paid to all the equity shareholders whose names appear in the Register of Members of the Company and depositories as on 2nd August 2018.

MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis forms an integral part of this report and gives details of the overall industry structure, economic developments, performance and state of affairs of the Company's key business lines viz., IT-related Products & Technical Services and Distribution Services during FY18. It also sheds light on the internal controls and their adequacy, risk management systems and other material developments during the financial year.

IT Products and Solutions:

As expected, the Government's digital drive has acted as a tailwind for the IT Products & Solutions business. With improved digital access and GST, thousands of retail traders in India have either moved into the organised retail fold, or are in the process of doing so. This is driving the rapid adoption of PoS devices in the market. As per the latest Economic Survey, GST has increased the indirect taxpayer base by more than 50 per cent with 34 lakh businesses coming into the indirect taxes net.

The Company witnessed spinoff benefits from this formalization of the economy. After years of stagnation, in FY 18, your Company's iconic 80 column dot matrix printers experienced a 4% volume growth, which the Company believe is entirely attributable to introduction of GST in July 2017. Your company has capitalised on the momentum and increased its market share from 38% to 40% in the segment. Your Company has also been proactive in identifying product gaps and has rolled out new initiatives to launch new ranges of mobile printers tailored to the needs of small merchants.

Some new launches			
Champ RP (G-Printer) - Receipt printer	Champ SM (Semi Mechanical)	TVSE MP-260 - Bluetooth printer	Rainbow Keyboard
			

While there had been a good growth from trade segment, the year also witnessed influx of low cost entry-level printers into the market. This is a segment TVS Electronics is not keen to focus on. But as this segment saw a deluge of substandard variants, the overall market share for the Company in both Thermal and Label printers fell by between 1 and 2 percentage points; however, these product ranges had registered growth rates upwards of 30% year on year. The market share in niche PoS Electronic Cash Registers - used by small eateries and retail stores to Go Live in about an hour - had grown from 16% to 19%, thanks to the quick GST-enabled range rolled out by the Company.

As part of assuring high quality standards to customers, the Company has taken several quality enhancement initiatives by strengthening the overall quality framework. A stringent validation process has been put in place for input materials, analyzing and taking corrective and preventive actions on warranty incidence. To reap cost benefits post implementation of GST, the Company closed certain depots / inventory hubs as part of nationalisation and consolidation of its operations to improve logistics efficiency and reduce costs.

Merchant Acquisition Business:

With over 3,000 dealer partners and over 300,000 merchant customers, the Company has forayed into the distribution of EDC PoS terminals and Merchant Acquisition Business, in association with an overseas manufacturer. The Company's pan-India service network and experience in managing over 5% of the country's installed base of EDC PoS terminals add great strength to this proposed business segment. The Company has contracted with an RBI-approved switch partner and is planning to launch the new devices in 2nd half of FY2019.

The Indian Payments industry is undergoing a sea change as the demonetization has generated considerable push as well as a conducive climate for transitioning the economy from the cash mode to the digital mode.

Statistics from the Committee on Payments and Market Infrastructure (CPMI) on payment systems (release date December 2017) offer interesting insights on the potential for digital payments. For the year 2016, India's annual per capita digital transaction level was only 15 (Year 2015: 12 / Year 2014: 9) - the lowest among all countries for which data are available (the second lowest was China / Mexico at 34 digital transactions per capita). Besides encouraging the growth of UPI and wallet based payments solutions, India will need to improve its card payment infrastructure significantly, to truly tap the potential of digital payments, particularly to reach the mammoth 25 billion retail digital transactions target. Payment industry experts advocate growing the PoS devices base from the current 3 million level (it was just 1.4 million before demonetization), besides dis-incentivising cash. The Company is very confident of establishing a strong presence for this segment as the economy charts a recovery from the disruptive phase.

Technical Services BU:

Servicetec network - Pincodes serviced

This Business Unit (BU) currently handles installation and technical service calls on behalf of over 25 brand partners covering 10,000+ pincodes across a very wide array of device categories. During the year, this BU expanded its network of installation and servicing a range of white goods like Air conditioners and Televisions. The current array of device categories include (i) Mobiles phones / tablets, (ii) IT Products - Desktops / Laptops / All-in-ones / Printers / Scanners / Keyboards, (iii) Consumer Electronics - Air conditioners / washing machines / Televisions / Personal grooming devices / Air and water purifiers and (iv) Banking automation devices - ATMs / EDC PoS terminals / Cash counting machines etc. On an average service calls exceeding a whopping 100,000 pm are completed and delivered either 'onsite' or out of authorised service centers under 'carry-in' service model. At the exit of the FY2018, the service center network comprised of 54 own and 119 partner-managed service centers. These centers are either exclusive for brand partners or brand agnostic. They largely cover Mobile phones and Tablets.

In the last two years, as the country's mobile phone industry faced bruising competition, the business of several national and a few global brands has been severely impacted. This did trickle down to a section of the Company's technical services BU. The BU had to exit from certain unviable markets / accounts and consolidate some service centers and spares warehouses.

Therefore, for the BU, FY 18 has been a year of streamlining and consolidation that has improved the gross margins by over ₹ 700 lakhs, but with flattish topline growth. The Company is wary of the high risk of disruption in high technology product categories and is accordingly treading cautiously, seeking out growth through an asset light model with diversification across categories. The growth projections are estimated mainly based on servicing white goods and consumer electronics which can be leveraged by company's existing warehouses, branch offices and program management infrastrucutre. The BU is also planning to roll out Business to Customer (B2C) service centers in a wholly new format in Q1 FY19.

A sub-unit of this BU - e-Auction services - continues to register steady growth offering (a) Reverse auction and (b) e-Procurement services digitally through its portal www.auctionindia.com. This web portal managed acts as a platform for connecting several corporates and bidders towards disposal of e-waste, used assets, machinery and ferrous / non-ferrous scrap.

The Board believes that with the completion of necessary course corrections, favourable market conditions and able leadership, the Company is well-placed to successfully engineer its next significant transformative phase. The Board is also glad that the Company's growth strategy incorporates a socially responsible business model. In the process of transforming and scaling up its business verticals, the Company has been empowering the trading fraternity to participate in the nation's digital initiatives and providing employment directly and indirectly to several hundreds of young engineers. The Board reassure our customers, employees, bankers, vendors and all other stakeholders that the Company is set for a revitalised journey for many more years to come.

Cautionary Statement:

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations, include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets, changes in Government regulations, tax laws and other statutes and incidental factors.

Business Risks & Opportunities

The Company's key imperative over the medium term will be sustaining the current revenue streams, even as we build a strategic framework and drive the Technical Services business, leveraging macro trends and business opportunities as described elsewhere.

Key success factors (and therefore risks) are predicated on the timely execution of these plans, building the internal capabilities by attracting and retaining talent and keeping pace with technological and market changes. The Board and management of the Company are confident of proactively managing these risks.

Internal Control Systems and their adequacy

The Company ensures that all transactions are authorized, recorded and reported and has adequate internal control systems to ensure that assets are safe-guarded and protected against any loss. The key processes are aligned with ISO9001:2008 system and audited periodically for compliance.

The scope and authority of the Internal Auditors are clearly defined. The findings and recommendations of the Internal Auditors are reviewed by the Audit committee of the Board on a periodical basis and necessary corrective actions by the process owners are taken.

Internal Financial Controls

The Company has established Internal Financial Controls framework including internal controls over financial reporting, operating controls and anti-fraud framework. The framework is reviewed regularly by the Company and tested by the internal auditors and presented to the audit committee. Based on periodical testing, the framework is strengthened, from time to time, to ensure adequacy and effectiveness of Internal Financial Controls.

Risk Management process

The Company has an established Risk Management Process which is tested by the internal auditors and overseen by the Audit Committee through a structured framework. The framework is implemented through a bottom up approach identifying, assessing, monitoring and managing key risks across the Company's business units. The management of the Company has reported to the Board that the Company's risk management and internal compliance and control system is operating effectively.

The Company follows the policy of hedging forex risk on its imports by taking full cover.

At present, in the opinion of the Board of Directors, there are no risks which may threaten the existence of the Company.

Business Planning and Information Technology

The Company has moved its applications and data base to a Cloud-based server since 2015-16. This has resulted in de-risking the storage of critical information in our own hardware. The Company also simultaneously monitors software upgradation which helps run business operations in an efficient manner. In terms of Companies Act, 2013, the details of maintenance of books of accounts on cloud server is being intimated to the Registrar of Companies at the time of annual filing.

The data analytics capabilities acquired by the Company last year helps capturing relevant information for decision-making across various businesses. The information dashboards so generated helped the management and operating teams to have real-time information on process controls and take pro-active steps to manage operations.

Human Resource Development

The Company's Human resources strategies are build to support the Business expansion and growth. During the year, the company was successful in attracting experienced and fresh hires with diverse Educational & Cultural background to support our expansion as we ventured into new areas. We were also able to create internal growth opportunities for our Employees through job rotations to support their growth as we added new Brands to our portfolio.

Learning and Development continued to be our focus area to up-skill our Employees and we also extended training support to our Partner's (Engineers) both on product and soft skills as part of routine and refresher training (e-Learning) to enrich their competencies and create enhanced experience to our Customers.

During the year, the Company invested on Leadership development programs which also included a 360 degree feedback for Leadership team and various programs for middle management teams. The Company also sponsored Employees for external public programs to acquire new skills based on latest trends in the Industry.

The Company continued to focus on building a High performance Culture to recognize and reward Employees for their performance & focused on Quarterly goal alignment for continuous and structured feedback.

The Company continues to engage with all Employees regularly through a monthly communication from CEO to update them on the Business progress and also recognise them with Spot/Monthly/Quarterly awards at different forums for their exemplary Individual and team performance. We also focused on Employee well-being & Hygiene through daily morning exercise at their workplace and invited external expert to address them on Health and Hygiene.

Safety

The Company is fully committed to the ultimate goal of employee safety. Safety training and safety audit are frequently conducted enabling the Company to maintain an accident-free record at its factories for several years.

Code of Business Conduct and Ethics

The Company has in place the Code of Business Conduct and Ethics for member of the Board and senior management personnel (the Code) approved by the Board. The Code has been communicated to directors and the senior management personnel. All the members of the Board and senior management personnel have confirmed compliance with the Code of Business Conduct and Ethics for the year ended 31st March, 2018. The Annual Report contains a declaration to this effect signed by Chief Executive Officer. The Code is available on the Company's Website www.tvs-e.in.

Vigil Mechanism / Whistle Blower policy

The Company has established a vigil mechanism, which is overseen by the Audit Committee. The Chairman of the Audit Committee has been appointed as the Ombudsman for the Vigil mechanism. The policy provides a formal mechanism for all directors, employees to report to the management, their genuine concerns or grievances about unethical behaviour, actual or suspected fraud and any violation of the Company's Code of Business Conduct and Ethics policy. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning Company. The Policy is available on the Company's Website www.tvs-e.in.

Prevention of Insider Trading

The Company has a Code of Conduct for Prevention of Insider Trading in line with SEBI (Prevention of Insider Trading) Regulations, 2015. The Code has been communicated to all the employees at the time of orientation and adhered to by the Board of Directors, senior management personnel and the other persons covered under the code. The Company follows closure of trading window prior to publication of price sensitive information. The Company has adopted Fair Practices Code (FPC) as per the regulations. Code of Conduct for Insider Trading Regulation and the Fair Practices Code are available on the Company's Website www.tvs-e.in.

Holding Company

During the year under review, the Holding Company M/s. TVS Investments Private Limited (TVSI) [formerly Sundaram Investment Limited] was converted into a private limited company with effect from 2nd November 2017, vide Order of the National Company Law Tribunal dated 21st June 2017. TVSI holds 59.96% of the outstanding equity in the Company as on 31st March 2018 (previous year: 59.96%). The change in the constitution of the holding company does not have any impact on the Company.

Scheme of Amalgamation

During the year, Hon'ble National Company Law Tribunal (NCLT), vide its order dated 27th March 2018 sanctioned the Scheme of Amalgamation of Prime Property Holdings Limited (PPHL), its wholly owned subsidiary with the Company. The Scheme came into effect from 29th March 2018. The Appointed date of Scheme was 1st April 2016. The Scheme was approved by NCLT without any modification. The investment made by the Company in

PPHL amounting to ₹ 5 Lakhs consisting of 50,000 Equity shares of ₹ 10/- each was cancelled. The Board of Directors of PPHL has also ceased and PPHL was dissolved without any process of winding up with effect from 29th March 2018.

Subsidiary Company

Benani Foods Private Limited

Benani Foods Private Limited (Benani), a company started in the year 2014, is manufacturing and trading 'ready to eat' and 'ready to cook' products. Benani was an associate of Prime Property Holdings Limited (PPHL), having 34.06% stake as on 31st March 2017. PPHL has invested in Benani during 2015. Consequent to amalgamation of PPHL with the Company, Benani has become direct investee in the Company.

Since 2014, Benani has scaled up in the last 4 years supplying to over 1000 retail outlets in Chennai and also to institutional customers like educational institutions, hospitals, restaurants, corporates etc., Benani's retail sales has gone up to 49% in 2017-18 though institutional sales has come down due to GST.

The Company currently holds 41.80% in Benani. Though the shareholding and Board composition in Benani is less than half, since the Company has affirmative voting rights, the Company is considered to have significant influence in Benani under applicable Indian Accounting Standards. Hence, Benani is considered as a subsidiary of the Company.

During the year 2017-18, Benani's revenue was ₹ 444 Lakhs. Being a start up company, Benani has posted loss of ₹ 197 Lakhs, due to high sales and distribution costs. Benani is planning to improve sales in the current year to increase number of retail customers through 1500 shops.

Though Benani is not a material subsidiary, the Company has nominated a director to the Board of Benani to oversee the performance of the subsidiary. Further, the Board of Directors of the Company review the performance of the subsidiary in its quarterly board meetings, as well.

Consolidated Accounts

The Consolidated financial statements of the Company are prepared in accordance with the provisions of Section 129 of Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and Regulation 33 of SEBI (LODR) Regulations, 2015.

A Statement in form AOC -1 under Section 129(3) of the Companies Act, 2013 is enclosed as Annexure A. The audited consolidated financial statements together with Auditors report forms part of the Annual report.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the audited financial statements of BFPL will be made available to the shareholders, on receipt of a request from any shareholder of the Company and it has also been placed on the website of the Company at www.tvs-e.in. This will also be available for inspection by the shareholders at the Registered Office of the Company, during business hours.

Annual Return

Extract of Annual Return in Form MGT-9 is given as Annexure B to this report.

Number of Board Meetings

The Board of Directors met five times during 2017-18. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

Share Capital

The paid up share capital of the Company as on 31st March 2018 is ₹ 18,61,28,180/- consisting of 1,86,12,818 Equity Shares of ₹ 10/- each. During the year, the Company has not issued any fresh shares.

Particulars of Loans, Guarantees or Investments

The Company has not granted any fresh loans or guarantees or provided any security in connection with any loan to any other body corporate or person covered under the provisions of Section 186 of Companies Act 2013. The details of investments made by the Company are given in the financial statements.

Related Party Transactions

All the related party transactions entered into are on 'arm's length' basis and in the ordinary course of business and are in compliance with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. None of the transactions are in the nature of having any potential conflict with the interests of the Company at large. There were no material related party transactions during the year.

Omnibus approvals are obtained for related party transactions which are repetitive in nature. In respect of unforeseen transactions, specific approvals are obtained. All related party transactions are approved / reviewed by the Audit Committee on a quarterly basis, with all the necessary details and are presented to the Board and taken on record. The details of transactions with related parties are provided in the financial statements. The Related Party Transactions policy as approved by the Board is uploaded on the Company's website at www.tvs-e.in.

Directors and Key Managerial Personnel

Independent Directors

All independent Directors hold office for a fixed period of five years and are not liable to retire by rotation. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI (LODR) Regulations. 2015. The terms of appointment of Independent Directors are available in the Company's website www.tvs-e.in.

During the year, Mr. Kenneth Tai, an Independent Director resigned from the Board of Directors of the Company with effect from 9th November 2017. The Board places on record its deep appreciation for his valuable advise and guidance and for his contribution to the Board during his tenure with the Company.

Separate Meeting of Independent Directors

During the year, a separate meeting of Independent Directors was held on 12th May, 2017. The Independent Directors actively participated and provided guidance to the Company in all its spheres.

Retirement by rotation

Mr. Narayan K Seshadri (DIN: 00053563), Director retires by rotation at the ensuing Annual General Meeting of the Company under Section 152(6) of the Companies Act, 2013 and being eligible offers himself for re-appointment.

Managing Director

The Board of Directors at their meeting held on 11th May, 2018, based on the recommendation of the Nomination and Remuneration Committee (NRC), appointed Mrs. Srilalitha Gopal (DIN: 02329790), as Managing Director of the Company, liable to retire by rotation, for a period of 5 years from 11th May 2018 to 10th May 2023, for a total remuneration of ₹ 1.50 Cr p.a. subject to approval of the shareholders.

Both NRC and the Board observed that the proposed appointment of Mrs. Srilalitha Gopal as Managing Director satisfies the requirements of the provisions of Section 196(3) and Part I of Schedule V of Companies Act, 2013.

Mrs. Srilalitha Gopal is also the Managing Director of Harita Techserv Limited (Harita), a company engaged in design engineering and skilled technical engineering service business since 2008. As the Managing Director of both Harita and the Company, she is entitled to draw remuneration from one or both the companies, provided that the total remuneration drawn from both the companies does not exceed the higher maximum limit admissible from any one of such companies.

In the case of inadequacy of profits, she will be paid the same proposed remuneration as the minimum remuneration, subject to the maximum applicable limit under Part II Section II Para A of Schedule V of Companies Act 2013, read with provisos thereunder, based on the effective capital of the Company.

Woman Director

In terms of Section 149 of Companies Act, 2013 and SEBI(LODR) Regulations, 2015, the Company is required to have a woman director on its Board. Mrs. Srilalitha Gopal, Managing Director is already on the Board of the Company from 10th November 2011 and hence the Company fulfills the requirements of the said section.

Brief resume of Directors

The brief resume of directors proposed to be appointed and re-appointed and other relevant information have been furnished in the Notice of Annual General Meeting (AGM). Appropriate resolutions for their appointment and re-appointment are being placed for approval of the shareholders at the AGM.

Key Managerial Personnel (KMPs)

In terms of Section 2(51) and Section 203 of the Companies Act, 2013, Mrs. Srilalitha Gopal, Managing Director, Mr. Prakash Katama, Chief Executive Officer, Mr. Karthi Chandramouli, Chief Financial Officer and Ms. S Nagalakshmi, Company Secretary are the key managerial personnel of the Company, as on date of this report.

Evaluation of the Board's performance

The Board has carried out an evaluation of its own performance, and that of its directors including Independent Directors individually and the sub committees of the Board. The manner in which the evaluation has been carried out is explained in the Corporate Governance report.

The Company has also devised a Policy on Board Diversity detailing the functional, strategic and structural diversity of the Board.

Nomination and Remuneration Policy

The Nomination and Remuneration Committee of the Company review the composition of the Board, to ensure that there is an appropriate mix of abilities, experience and diversity to serve the interests of the shareholders of the Company.

In accordance to Section 178 of Companies Act, 2013, the Nomination and Remuneration Policy was formulated to govern the terms of nomination, appointment and remuneration of Directors, Key Managerial and Senior Management Personnel of the Company.

The Policy ensures that (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully; (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The Policy has been approved by the Nomination and Remuneration Committee and the Board. The Remuneration Policy document as approved by the Board is available on the Company Website www.tvs-e.in.

Statutory Auditors

M/s Deloitte Haskins & Sells, Chartered Accountants (FRN:008072S) were appointed as the Statutory Auditors of the Company at the 22nd Annual General Meeting of the Company held on 30th June 2017 for the first term of 5 years to hold office up to the conclusion of the 27th Annual General Meeting. in terms of the notification issued by Ministry of Corporate Affairs dated 7th May 2018, the requirement of obtaining shareholder's ratification every year has been done away with and requires only the Board approval. Accordingly, the Board of Directors of the Company at its meeting held on 11th May 2018 approved their appointment for the 2nd year (2018-19) in their first term of 5 years to hold office till the conclusion of next annual general meeting.

Internal Auditors

The Company has appointed M/s. Grant Thornton India LLP, as the Internal Auditors for the year 2018-19.

Cost Auditors

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audits) Rules, 2014, printers manufactured by the Company and falling under the specified Central Excise Tariff Act heading are covered under the ambit of mandatory cost audits from the financial years commencing on or after 1st April 2015.

The Board of Directors appointed Mr. P Raju Iyer, Cost Accountant, Chennai as the Cost Auditor of the Company, to carry out the cost audit for 2018-19.

Secretarial Auditors

The Secretarial Auditors of the Company M/s. S Krishnamurthy & Co., Practising Company Secretaries, Chennai carried out Secretarial Audit for the financial year 2017-18 and the same is annexed as Annexure C.

The Company has complied with the applicable secretarial standards during the year.

Clarification to the observations in the Secretarial Audit Report

The Company is in the process of identifying a suitable person for the position of Independent Director and the process is expected to be completed shortly. Once the appointment is made, the Board composition will also be in accordance to the SEBI (LODR) Regulation, 2015. The rest of the observations are self explanatory and hence does not call for any further clarification.

Employee Stock Option Plan

During the year, no stock options were granted under the Employees Stock Options Scheme, 2011. The current position of the Stock Options granted under Employees Stock Option Scheme 2011 are provided in this Report as Annexure D.

Credit Rating

The Company has obtained credit rating for the various borrowing facilities from Brickworks Ratings India (P) Ltd., and the same has been renewed and intimated to the Stock Exchanges.

Transfer to Investor Education and Protection Fund

There was no amount required to be transferred to Investor Education and Protection Fund during the year.

Particulars of Employees and related disclosures

The particulars of the employees covered by the provisions of Section 197 (12) of Companies Act, 2013 and the rules thereunder forms part of this report. However, as per the provisions of Section 136(1) of Companies Act, 2013, the annual report is being sent to all the members excluding this statement. This will be made available for inspection at the Registered Office of the Company during working hours.

Comparative analysis of remuneration paid

A comparative analysis of remuneration paid to Directors and employees with the Company's performance is given as Annexure E to this report.

E-Waste Management

The Company is well ahead in terms of e-waste management compliance directed by Government of India with effect from 1st May, 2012. The Company has registered and authorized collection, storage and disposal centres in the required locations and has complied with the statutory requirements relating to E-Waste Management.

Report on energy conservation, technology absorption, foreign exchange and research and development

Information relating to energy conservation, technology absorption, foreign exchange earned and spent and research and development activities undertaken by the Company in accordance with the provisions of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are given in Annexure F to the Board's Report.

Corporate Social Responsibility

Corporate Social Responsibility (CSR) activities have been embedded in the value system of the Company for many decades. The Company continues to be actively engaged in CSR initiatives for development of the society through partnerships and continued to focus on to helping lesser privileged communities in areas like education, health & hygiene, culture & heritage and actively participated in other welfare projects.

The provisions of Section 135 of Companies Act, 2013 became applicable to the Company with effect from 1st April 2017. Accordingly, the Board of Directors of the Company, at their meeting held on 12th May 2017, constituted the CSR Committee, the details of which are provided in the Corporate Governance report.

Based on the recommendation by the CSR Committee, the Board has approved the projects / programs to be undertaken as CSR activities for a sum of ₹ 13 Lakhs during the financial year 2017-18. The details of CSR activities has been provided as Annexure G to this report.

Corporate Governance

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis Report and a Corporate Governance Report are made part of this Annual Report.

A Certificate from the Practising Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is forming part of Annual Report.

Public Deposits

The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 for the year ended 31st March, 2018.

Material changes and commitments

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

Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company

There are no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status of the Company and its future operations.

Reporting of Fraud

During the year under review, neither the statutory auditors nor the secretarial auditors has reported any instances of fraud committed against the Company by its officers or employees, as specified under Section 143(12) of Companies Act, 2013.

Other laws

During the year under review, no complaints have been received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There have been no complaints pending for disposal.

Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external consultants, advisors of the Company and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

The financial statements have been prepared in accordance with the Indian Accounting Standards, which has become applicable to the Company with effective from 1st April 2017.

In terms of Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, further confirm:

i. that in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable Indian accounting standards have been followed and that there were no material departures;

ii. that they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2018 and of the profits of the Company for the year under review;

iii. that they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. that they had prepared the annual accounts for the year ended 31st March, 2018 on a "going concern" basis;

v. that they had laid down internal financial controls which are adequate and are operating effectively;

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

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the committed service of all the employees.

The Directors would also like to express their grateful appreciation for the assistance and co-operation received from the customers, dealer partners, business partners, bankers and its holding companies TVS Investments Private Limited and T.V.Sundram Iyengar & Sons Private Limited.

The Directors thank the Shareholders for the continued confidence and trust placed by them in the Company.

For and on behalf of the Board

Gopal Srinivasan
Chairman
DIN: 00177699

Chennai
11th May, 2018

Form AOC-I

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

Statement containing salient features of the financial statement of Subsidiary For the Financial year ended 31st March 2018

Part "A" : Subsidiary

(₹ in Lakhs)

1.	Sl.No	1
2.	Name of the subsidiary *	Benani Foods Private Limited
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same reporting period as that of Holding Company
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees
5.	Share capital	2.30
6.	Reserves & Surplus	43.30
7.	Total Assets	181.73
8.	Total Liabilities	181.73
9.	Investments	–
10.	(a) Turnover (b) Other Income	443.73 0.51
11.	Profit (Loss) before Taxation	(197.35)
12.	Provision for Taxation	(0.23)
13.	Profit after Taxation	(197.12)
14.	Proposed dividend	–
15.	% of shareholding	41.80%

* Benani Foods Private Limited (Benani) was an associate of PPHL having 34.06% stake as on 31st March 2017. Consequent to the Scheme of Amalgamation, the investments in Benani made by Prime Property Holdings Limited (PPHL), was transferred to the Company, together with the rights available to PPHL in respect of the said investment. The Company is holding 41.80% in Benani Foods Private Limited (Benani). Though the shareholding or Board composition of the Company in Benani is less than the statutory provisions of Companies Act, 2013, since the Company has affirmative voting rights, the Company is considered to have significant influence in Benani under applicable Indian Accounting Standards.

Notes: 1. Names of subsidiaries which are yet to commence operations : Nil.

2. Names of subsidiaries which have been liquidated or sold during the year : Nil

3. M/s. Prime Property Holdings Limited (PPHL) was amalgamated with the Company as per the Scheme of Amalgamation sanctioned by Hon'ble National Company Law Tribunal vide its order dated 27th March, 2018. The Effective date of the amalgamation is 29th March, 2018, being the date of filing of the Order with the Registrar of Companies, Chennai by the Company and PPHL and appointed date is 1st April, 2016.

4. Since there are no Associate Companies or Joint Ventures, the Part B is not applicable

For and on behalf of the Board

GOPAL SRINIVASAN
Chairman

KARTHI CHANDRAMOULI
Vice President - Finance & CFO

PRAKASH KATAMA
Chief Executive Officer

S. NAGALAKSHMI
Company Secretary

Chennai
May 11, 2018

As per our report of even date annexed

For DELOITTE HASKINS & SELLS
Chartered Accountants
Firm Registration No: 008072S

BHAVANI BALASUBRAMANIAN
Partner
Membership No: 22156

FORM MGT - 9

EXTRACT OF ANNUAL RETURN

as on the Financial Year Ended on 31st March, 2018

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	**L30007TN1995PLC032941**
(ii)	Registration Date	**15/09/1995**
(iii)	Name of the Company	**TVS Electronics Limited**
(iv)	Category / Sub-Category of the Company	**Public Company**
(v)	Address of the Registered office and contact details	**"Jayalakshmi Estates", 29, Haddows Road, Chennai - 600 006 Tel: 91-44-28277155, E-mail: contactus@tvs-e.in**
(vi)	Whether listed company	**Yes**
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	**Sundaram-Clayton Limited, Jayalakshmi Estates, 1st Floor, 29, Haddows Road, Chennai - 600 006 Tel: 91-44-28307700, E-mail: kr.raman@scl.co.in**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company is given below:-

Sl No.	Name and Description of main products / services	NIC Code of the Product/ service	'% to total turnover of the Company
1	Manufacturing of Computer Printers	26204	2
2	Trading of:		
	Computer Printers / Keyboards	47411	1
	Telecom Parts	47414	6
	Distribution Sales - Mobile Phones	46524	89
3	Services	61101	2

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	T V Sundram Iyengar & Sons Private Limited, TVS Building, West Veli Street, Madurai - 625 001.	U34101TN1929PTC002973	Ultimate Holding Company	59.96 (through Sl. No. 2)	Sec.2(46)
2	TVS Investments Private Limited (Formerly Sundaram Investment Limited), Jayalakshmi Estates, 29, Haddows Road, Chennai - 600 006.	U65993TN2004PTC054696	Holding Company	59.96	Sec.2(46)
3	Benani Foods Private Limited, No.47, South Reddy Street, Athipet Village, Ambattur, Chennai - 600 058.	U15490TN2013PTC093940	Subsidiary Company*	41.80	In terms of Ind AS

* Subsidiary of the Company in terms of Ind AS consequent to the Scheme of Amalgamation (of Prime Property Holdings Limited with the Company) becoming effective from 29th March, 2018.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year			
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares
A. Promoters												
(1) Indian												
(a) individual/ HUF	-	-	-	-	-	-	-	-	-	-	-	-
(b) Central Govt.	-	-	-	-	-	-	-	-	-	-	-	-
(c) State Govt.	-	-	-	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	1,11,60,093	-	1,11,60,093	59.96	1,11,60,093	-	1,11,60,093	59.96	-	-	-	-
(e) Banks/ Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-
(f) Any other	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	**1,11,60,093**	**-**	**1,11,60,093**	**59.96**	**1,11,60,093**	**-**	**1,11,60,093**	**59.96**	**-**	**-**	**-**	**-**
(2) Foreign	-	-	-	-	-	-	-	-	-	-	-	-
(a) NRIs - individuals	-	-	-	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-	-	-	-
(d) Banks/ Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-
(e) Any other	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A) (1) + (A) (2)	1,11,60,093	-	1,11,60,093	59.96	1,11,60,093	-	1,11,60,093	59.96	-	-	-	-
B. Public Shareholding												
(1) Institutions												
(a) Mutual Funds	1,500	2,700	4,200	0.02	1,500	2,700	4,200	0.02	-	-	-	0.00
(b) Banks/ Financial Institutions	77,487	600	78,087	0.42	4,950	600	5,550	0.03	(72,537)	0	(72,537)	(0.39)
(c) Central Govt.	-	-	-	0	-	-	-	0	-	-	-	-
(d) State Govt.	-	-	-	0	-	-	-	0	-	-	-	-
(e) Venture Capital Funds	-	-	-	0	-	-	-	0	-	-	-	-
(f) Insurance Companies	-	-	-	0	-	-	-	0	-	-	-	-
(g) FIIs	-	100	100	0	-	100	100	0	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	0	-	-	-	0	-	-	-	-
(i) Others (specify)												
Foreign Portfolio Investors - Corporate	-	-	-	0	16,111	-	16,111	0.09	16,111	-	16,111	0.09
Sub-total (B) (1)	**78,987**	**3,400**	**82,387**	**0.44**	**22,561**	**3,400**	**25,961**	**0.14**	**(56,426)**	**0**	**(56,426)**	**(0.30)**

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding (contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year			
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares
(2) Non- Institutions												
(a) Bodies Corporate												
(i) Indian	4,63,324	3,58,451	8,21,775	4.42	4,20,722	3,70,951	7,91,673	4.25	(42,602)	12,500	(30,102)	(0.16)
(ii) Overseas	-	-	-	-	-	-	-	-	-	-	-	-
(b) individuals												
(i) Individual Shareholders holding nominal share capital upto ₹ One Lakh	45,79,330	4,44,411	50,23,741	26.99	48,52,632	4,17,706	52,70,338	28.32	2,73,302	(26,705)	2,46,597	1.32
(ii) Individual Shareholders holding nominal share capital in excess of ₹ One Lakh	11,96,244	32,500	12,28,744	6.60	10,39,712	20,000	10,59,712	5.69	(1,56,532)	(12,500)	(1,69,032)	(0.91)
(c) Others (specify)												
NRI Non-Repartriable	27,153	800	27,953	0.15	30,304	600	30,904	0.17	3,151	(200)	2,951	0.00
NRI Repartriable	1,19,975	1,48,150	2,68,125	1.44	1,30,987	1,43,150	2,74,137	1.47	11,012	(5,000)	6,012	0.03
Sub-total (B) (2)	**63,86,026**	**9,84,312**	**73,70,338**	**39.60**	**64,74,357**	**9,52,407**	**74,26,764**	**39.90**	**88,331**	**(31,905)**	**56,426**	**0.28**
Total Public Shareholding (B) = (B) (1) + (B) (2)	64,65,013	9,87,712	74,52,725	40.04	64,96,918	9,55,807	74,52,725	40.04	31,905	(31,905)	-	(0.02)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL [A + B + C]	1,76,25,106	9,87,712	1,86,12,818	100.00	1,76,57,011	9,55,807	1,86,12,818	100.00	31,905	(31,905)	-	0.00

(ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
TVS Investments Private Limited *	1,11,60,093	59.96	0	1,11,60,093	59.96	0	-
TOTAL	1,11,60,093	59.96	0	1,11,60,093	59.96	0	-

* converted into private limited company with effect from 2nd November, 2017

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	'% of total shares of the company	No. of Shares	'% of total shares of the company
At the beginning of the year	1,11,60,093	59.96		
At the End of the year *			1,11,60,093	59.96

* There is no change in the number of shares held during the year.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S No.	Name of the shareholders	Opening Balance	Date of increase or decrease (Benpos date)	Reasons for increase or decrease	No. of Shares	% of total shares of the Company	Cumulative		Closing Balance	
							No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	TRANZMUTE BUSINESS	350,000	01-04-2017	Opening balance	-	-	-	-		
	ADVISORY LLP		31-03-2018	Closing balance					350,000	1.88
	FOLIO NO. P13050013694		No Change							
2	JOSEPH JIVANAYAKAM DANIEL	64,000	01-04-2017	Opening balance						
	Client Id : 33897794		31-03-2018	Closing balance					64,000	0.34
	DP ID : IN301549		No Change							
3	M. PARAS	51,399	01-04-2017	Opening balance						
	Client Id : 10105630		31-03-2018	Closing balance					51,399	0.28
	DP ID : IN300378		No Change							
4	MOTILAL OSWAL SECURITIES	137	01/04/2017	Opening balance						
	LTD - COLLATERAL ACCOUNT		07-04-2017	Transfer / Purchase	37	0.00	174	0.00		
	Client Id : 1201090000252528		14-04-2017	Transfer / Purchase	263	0.00	437	0.00		
	DP ID : 10900		21-04-2017	Transfer / Purchase	393	0.00	830	0.00		
			28-04-2017	Transfer / Purchase	7,870	0.04	8,700	0.05		
			05-05-2017	Transfer / Sale	7,209	0.04	1,491	0.01		
			12-05-2017	Transfer / Purchase	524	0.00	2,015	0.01		
			19-05-2017	Transfer / Purchase	92	0.00	2,107	0.01		
			26-05-2017	Transfer / Sale	1,533	0.01	574	0.00		
			02-06-2017	Transfer / Purchase	300	0.00	874	0.00		
			09-06-2017	Transfer / Purchase	196	0.00	1,070	0.01		
			16-06-2017	Transfer / Purchase	368	0.00	1,438	0.01		
			23-06-2017	Transfer / Sale	1,178	0.01	260	0.00		
			30-06-2017	Transfer / Purchase	985	0.01	1,245	0.01		
			07-07-2017	Transfer / Sale	125	0.00	1,120	0.01		
			14-07-2017	Transfer / Purchase	34,423	0.18	35,543	0.19		
			21-07-2017	Transfer / Purchase	13,346	0.07	48,889	0.26		
			28-07-2017	Transfer / Sale	2,836	0.02	46,053	0.25		
			04-08-2017	Transfer / Sale	46,053	0.25	0	0.00		

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (contd.)

S No.	Name of the shareholders	Opening Balance	Date of increase or decrease (Benpos date)	Reasons for increase or decrease	No. of Shares	% of total shares of the Company	Cumulative		Closing Balance	
							No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
			11-08-2017	Transfer / Purchase	3,773	0.02	3,773	0.02		
			18-08-2017	Transfer / Sale	1	0.00	3,772	0.02		
			25-08-2017	Transfer / Purchase	1,026	0.01	4,798	0.03		
			01-09-2017	Transfer / Sale	101	0.00	4,697	0.03		
			08-09-2017	Transfer / Sale	1,745	0.01	2,952	0.02		
			15-09-2017	Transfer / Purchase	1,888	0.01	4,840	0.03		
			22-09-2017	Transfer / Sale	4,724	0.03	116	0.00		
			29-09-2017	Transfer / Purchase	371	0.00	487	0.00		
			06-10-2017	Transfer / Purchase	105	0.00	592	0.00		
			13-10-2017	Transfer / Sale	227	0.00	365	0.00		
			20-10-2017	Transfer / Purchase	860	0.00	1,225	0.01		
			27-10-2017	Transfer / Sale	606	0.00	619	0.00		
			31-10-2017	Transfer / Purchase	800	0.00	1,419	0.01		
			03-11-2017	Transfer / Sale	178	0.00	1,241	0.01		
			10-11-2017	Transfer / Sale	801	0.00	440	0.00		
			17-11-2017	Transfer / Purchase	40,749	0.22	41,189	0.22		
			24-11-2017	Transfer / Sale	490	0.00	40,699	0.22		
			01-12-2017	Transfer / Sale	40	0.00	40,659	0.22		
			08-12-2017	Transfer / Sale	44	0.00	40,615	0.22		
			15-12-2017	Transfer / Sale	51	0.00	40,564	0.22		
			22-12-2017	Transfer / Sale	468	0.00	40,096	0.22		
			29-12-2017	Transfer / Sale	10	0.00	40,086	0.22		
			05-01-2018	Transfer / Sale	10	0.00	40,076	0.22		
			12-01-2018	Transfer / Sale	75	0.00	40,001	0.21		
			19-01-2018	Transfer / Sale	50	0.00	39,951	0.21		
			26-01-2018	Transfer / Sale	66	0.00	39,885	0.21		
			02-02-2018	Transfer / Sale	200	0.00	39,685	0.21		
			09-02-2018	Transfer / Purchase	3,044	0.02	42,729	0.23		

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (contd.)

S No.	Name of the shareholders	Opening Balance	Date of increase or decrease (Benpos date)	Reasons for increase or decrease	No. of Shares	% of total shares of the Company	Cumulative		Closing Balance	
							No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
			16-02-2018	Transfer / Purchase	800	0.00	43,529	0.23		
			23-02-2018	Transfer / Sale	42,924	0.23	605	0.00		
			02-03-2018	Transfer / Purchase	474	0.00	1,079	0.01		
			09-03-2018	Transfer / Purchase	2,147	0.01	3,226	0.02		
			16-03-2018	Transfer / Sale	2,905	0.02	321	0.00		
			23-03-2018	Transfer / Sale	246	0.00	75	0.00		
			30-03-2018	Transfer / Purchase	434	0.00	509	0.00		
			31-03-2018	Transfer / Purchase	49,744	0.27	50,253	0.27		
			31-03-2018	Closing balance					50,253	0.27
5	PURVESH VASANTLAL MEHTA	-	01-04-2017	Opening balance						
	Client Id : 19377207		05-01-2018	Transfer / Purchase	14,518	0.08	14,518	0.08		
	DP ID : IN300214		12-01-2018	Transfer / Purchase	25,945	0.14	40,463	0.22		
			31-03-2018	Closing balance					40,463	0.22
6	CELESTINA DANIEL	40,001	01-04-2017	Opening balance						
	Client Id : 53103021		31-03-2018	Closing balance					40,001	0.21
	DP ID : IN301549		No Change							
7	DIVYA DANIEL	36,000	01-04-2017	Opening balance						
	Client Id : 21885522		31-03-2018	Closing balance					36,000	0.19
	DP ID : IN301151		No Change							
8	R RAMARAJ	35,000	01-04-2017	Opening balance						
	Client Id : 40512806		31-03-2018	Closing balance					35,000	0.19
	DP ID : IN300476		No Change							
9	ANGEL BROKING PRIVATE	-	01-04-2017	Opening balance						
	LIMITED		23-03-2018	Transfer / Purchase	29,434	0.16	29,434	0.16		
	Client Id : 20090631		30-03-2018	Trf/Sold	363	0.00	29,071	0.16		
	DP ID : IN301348		31-03-2018	Closing balance					29,071	0.16

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (contd.)

S No.	Name of the shareholders	Opening Balance	Date of increase or decrease (Benpos date)	Reasons for increase or decrease	No. of Shares	% of total shares of the Company	Cumulative		Closing Balance	
							No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
10	EDELWEISS CUSTODIAL	33,868	01-04-2017	Opening balance						
	SERVICES LTD		07-04-2017	Transfer / Purchase	5,373	0.03	39,241	0.21		
	Client Id : 20061814		14-04-2017	Transfer / Purchase	11,016	0.06	50,257	0.27		
	DP ID : IN301348		21-04-2017	Transfer / Sale	16,072	0.09	34,185	0.18		
			28-04-2017	Transfer / Sale	12,874	0.07	21,311	0.11		
			05-05-2017	Transfer / Sale	7,321	0.04	13,990	0.08		
			12-05-2017	Transfer / Sale	1,795	0.01	12,195	0.07		
			19-05-2017	Transfer / Sale	2,968	0.02	9,227	0.05		
			26-05-2017	Transfer / Purchase	2,648	0.01	11,875	0.06		
			02-06-2017	Transfer / Sale	1,541	0.01	10,334	0.06		
			09-06-2017	Transfer / Sale	374	0.00	9,960	0.05		
			16-06-2017	Transfer / Purchase	2,836	0.02	12,796	0.07		
			23-06-2017	Trf/Sold	2,661	0.01	10,135	0.05		
			30-06-2017	Transfer / Purchase	1,235	0.01	11,370	0.06		
			07-07-2017	Transfer / Purchase	889	0.00	12,259	0.07		
			14-07-2017	Transfer / Purchase	1,120	0.01	13,379	0.07		
			21-07-2017	Transfer / Purchase	41,316	0.22	54,695	0.29		
			04-08-2017	Transfer / Purchase	19,141	0.10	73,836	0.40		
			18-08-2017	Transfer / Sale	3,416	0.02	70,420	0.38		
			25-08-2017	Transfer / Sale	3,305	0.02	67,115	0.36		
			01-09-2017	Transfer / Sale	15	0.00	67,100	0.36		
			15-09-2017	Transfer / Sale	63	0.00	67,037	0.36		
			22-09-2017	Transfer / Sale	34,210	0.18	32,827	0.18		
			29-09-2017	Transfer / Sale	7,191	0.04	25,636	0.14		
			06-10-2017	Transfer / Purchase	2,401	0.01	28,037	0.15		
			13-10-2017	Transfer / Sale	7,390	0.04	20,647	0.11		
			20-10-2017	Transfer / Purchase	2,124	0.01	22,771	0.12		
			27-10-2017	Transfer / Sale	4,993	0.03	17,778	0.10		

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (contd.)

S No.	Name of the shareholders	Opening Balance	Date of increase or decrease (Benpos date)	Reasons for increase or decrease	No. of Shares	% of total shares of the Company	Cumulative		Closing Balance	
							No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
			31-10-2017	Transfer / Purchase	804	0.00	18,582	0.10		
			03-11-2017	Transfer / Sale	1,232	0.01	17,350	0.09		
			10-11-2017	Transfer / Sale	1,807	0.01	15,543	0.08		
			17-11-2017	Transfer / Sale	3,081	0.02	12,462	0.07		
			24-11-2017	Transfer / Sale	7,142	0.04	5,320	0.03		
			08-12-2017	Transfer / Sale	464	0.00	4,856	0.03		
			09-02-2018	Transfer / Purchase	13,081	0.07	17,937	0.10		
			16-02-2018	Transfer / Purchase	240	0.00	18,177	0.10		
			23-02-2018	Transfer / Sale	5,804	0.03	12,373	0.07		
			02-03-2018	Transfer / Sale	1,777	0.01	10,596	0.06		
			09-03-2018	Transfer / Sale	18	0.00	10,578	0.06		
			16-03-2018	Transfer / Purchase	2,863	0.02	13,441	0.07		
			23-03-2018	Transfer / Purchase	14,094	0.08	27,535	0.15		
			30-03-2018	Transfer / Purchase	498	0.00	28,033	0.15		
			31-03-2018	Closing balance					28,033	0.15

(v) Shareholding of Directors and Key Managerial Personnel:

Name of the Director / KMP (M/s.)	Opening Balance	Date of increase or decrease (Benpos date)	Reasons for increase or decrease	No. of shares	% of total shares of the Company	Cumulative		Closing Balance	
						No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
GOPAL SRINIVASAN	150	No Change	Opening balance	-	-	-	-		
PREMA SRINIVASAN FOLIO NO. G00453			Closing balance					150	0.00
SRILALITHA GOPAL	NIL		-	-	-	-	-	NIL	
D SUNDARAM	NIL							NIL	
PRAVEEN CHAKRAVARTY	NIL		-	-	-	-	-	NIL	
NAGENDRA PALLE	NIL		-	-	-	-	-	NIL	
M LAKSHMINARAYAN	NIL		-	-	-	-	-	NIL	
M F FAROOQUI	NIL		-	-	-	-	-	NIL	
NARAYAN K SESHADRI Client id :1204470004464691 Dp Id :44700	5,30,000	No Change	Opening balance						
			Closing balance					5,30,000	2.85
R S RAGHAVAN	NIL		-	-	-	-	-	NIL	

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment (₹ in Lakhs)

Sl No.	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the financial year				
(i)	Principal Amount	2,136.80	-	-	2,136.80
(ii)	Interest due but not paid	-	-	-	-
(iii)	Interest accrued but not due	16.85	-	-	16.85
	Total (i + ii + iii)	2,153.65	-	-	2,153.65
	Change in Indebtedness during the financial year				
	Addition	-	-	-	-
	Reduction	(1,807.56)	-	-	(1,807.56)
	NET CHANGE	(1,807.56)	-	-	(1,807.56)
	Indebtedness at the end of the financial year				
(i)	Principal Amount	329.24	-	-	329.24
(ii)	Interest due but not paid	-	-	-	-
(iii)	Interest accrued but not due	2.35	-	-	2.35
	Total (i + ii + iii)	331.59	-	-	331.59

Refer long-term borrowings, short-term borrowings and current maturities of long-term debt.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lakhs)

Sl No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross Salary		
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	NIL	
(b)	Value of perquisites under Section 17(2) of the Income-tax Act, 1961		
(c)	Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961		
2	Stock Option as per debit to Statement of Profit and Loss		
3	Sweat Equity		
4	Commission		
	- as % of Profits		
	- Others, specify		
5	Others, please specify (Variable Pay)		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other Directors:

(₹ in Lakhs)

Sl No.	Particulars of Remuneration	Name of Directos					Total Amount
1	Independent Directors	Mr. Praveen Chakravarty	Mr. Kenneth Tai	Dr. Nagendra Palle	Mr. M Lakshminarayan	Mr. M F Farooqui	
	Fees for attending Board, Committee Meetings	2.25	0.50	2.25	2.50	2.00	9.50
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	2.25	0.50	2.25	2.50	2.00	9.50
		Name of Directos					Total Amount
2	Other Non-Executive Directors	Mr. Gopal Srinivasan	Mrs. Srilalitha Gopal	Mr. D Sundaram	Mr. Narayan K Seshadri	Mr. R S Raghavan	
	Fees for attending Board, Committee Meetings	1.00	2.75	3.50	1.25	1.50	10.00
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	1.00	2.75	3.50	1.25	1.50	10.00
	Total (B) = (1)+(2)						19.50
	Total Managerial Remuneration (A) + (B)						19.50
	Overall Ceiling as per the Act	Not Applicable					

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Company Secretary	CEO	CFO	
1	Gross Salary				
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	23.95	136.74	38.99	199.68
(b)	Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	– as % of Profits	-	-	-	-
	– Others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	23.95	136.74	38.99	199.68

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : Nil

Sl. No.	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A.	COMPANY	Not Applicable				
	Penalty					
	Punishment					
	Compounding					
B.	DIRECTORS					
	Penalty					
	Punishment					
	Compounding					
C.	OTHER OFFICERS IN DEFAULT					
	Penalty					
	Punishment					
	Compounding					

Notes : Extract of Annual Return as per Form No. MGT- 9 shall form part of the Board's Report attached to the Audited Financial Statements of the Company

For and on behalf of the Board

Gopal Srinivasan
Chairman
DIN : 00177699

Chennai
11th May, 2018

Form No. MR-3

Secretarial Audit Report for the financial year ended 31st March 2018

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

To the Members of
TVS Electronics Limited
[CIN: L30007TN1995PLC032941]
Jayalakshmi Estates, No.29, Haddows Road,
Chennai - 600 006.

We have conducted a Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **TVS ELECTRONICS LIMITED** *('the Company')* **during the financial year from 1st April 2017 to 31st March 2018** *('the year'/ 'audit period'/ 'period under review').*

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts and statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

(i) Our examination / verification of the books, papers, minute books and other records maintained by the Company and furnished to us, forms and returns filed and compliance related action taken by the Company during the year as well as after 31st March, 2018 but before the issue of this report;

(ii) Compliance reports issued by the Chief Financial Officer and the Company Secretary of the Company, and taken on record by the Audit Committee; and

(iii) The representations made and information provided by the Company, its officers, agents and authorised representatives during our conduct of the Secretarial Audit.

In our opinion, during the audit period covering the **financial year ended on 31st March, 2018**, the Company has complied with the statutory provisions listed hereunder and also has Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with our letter of even date annexed to this report as Annexure - A.

1. Compliance with specific statutory provisions

We report that:

1.1. We have examined the books, papers, minute books and other records maintained by the Company and furnished for our verification, the forms, returns, reports, disclosures and information filed, submitted or disseminated during the year, according to the applicable provisions of:

(i) The Companies Act, 2013 *('the Act')* and the rules made thereunder.

(ii) Securities Contracts (Regulation) Act, 1956, and the rules made thereunder.

(iii) Depositories Act, 1996, and the regulations and bye-laws framed thereunder.

(iv) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

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

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 , regarding the Companies Act, 2013 and dealing with client;

(e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

(f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(v) The listing agreements entered into by the Company with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

(vi) Secretarial Standards (SS-1) on "Meetings of the Board of Directors", Secretarial Standards (SS-2) on "General Meetings" issued by The Institute of Company Secretaries of India (Secretarial Standards). Secretarial Standards (SS-3) on "Dividend" being non-mandatory was not adopted by the Company.

(vii) The following laws specifically applicable to the Company, namely, Special Economic Zones (SEZ) Act, 2005, and Special Economic Zones Rules, 2006, during the period from 1st April, 2017 to 29th December, 2017, since one of the Company's units was located in a SEZ during such period.

1.2. During the period under review, and also considering the compliance related action taken by the Company after 31st March, 2018 but before the issue of this report, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us:

(i). The Company has, *subject to our specific observations in Annexure-B* to this report, generally complied with the applicable provisions of the Act, Rules, Regulations, and Agreements, mentioned under paragraph 1.1 (i) to (v) above.

(ii). *The Company has to take steps to improve the level of compliance with the applicable Secretarial Standards mentioned under paragraph 1.1 (vi) above*; and

(iii). The Company has *broadly complied* with the specific laws mentioned under paragraph 1.1 (vii) above.

1.3. We are informed that, during/ in respect of the year:

(i) The Company, in view of non-occurence of certain events, was not required to comply with the following laws/ rules/ regulations and consequently was not required to maintain any books, papers, minute books or other records or file any forms / returns under:

(a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder with respect to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(b) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(c) Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(d) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(ii) Considering the nature of the Company's business, no other law other than those specified in paragraph 1.1 (vii) above, was specifically applicable to the Company, on compliance with which we are specifically required to report on.

2. Board processes:

We further report that:

2.1 Board constitution and balance

(i). The Board of Directors of the Company as on 31st March, 2018 comprises of 5 (five) Non-Executive Non-Independent Directors (including 1 (one) woman director) and 4 (four) Independent Directors. *The vacancy which arose in the office of 1 (one) Independent director on 9th November, 2017, has not been filled-up within the time-limit provided under Regulation 25(6) of LODR.*

(ii). The following changes took place in the Board of directors during the year:

(a) Mr. R Ramaraj (DIN:00090279), Independent Director representing small shareholders, retired as a Director with effect from 1st April, 2017, upon completion of his tenure on 31st March, 2017.

(b) Mr. D Sundaram (DIN: 00016304), who retired by rotation at the 22nd Annual General Meeting held on 30th June 2017 was re-appointed thereat.

(c) Mr. Kenneth Tai (DIN: 01964412), Independent Director, resigned as a Director with effect from 9th November, 2017.

2.2 Board Meetings

(i). Adequate notice was given to all the directors to plan their schedule for all the Board Meetings. Notice of Board meetings were sent at least seven days in advance.

(ii). However, the agenda and detailed notes on agenda were sent less than seven days before the Board meetings; and the following items were either circulated separately or at the meeting:

(a) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as financial statements / results, for which approval of the Board of directors was obtained as required under SS-1; and

(b) Additional subjects / information and supplementary notes.

2.3 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.

2.4 We are informed that, at the Board meetings held during the year:

(i) Majority decisions were carried through; and

(ii) No dissenting views were expressed by any director on any of the subject matters discussed, that were required to be captured and recorded as part of the Minutes.

3. Compliance Mechanism

We further report that:

3.1 There are reasonably adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules and regulations. *The systems and processes have to be further strengthened in order to make them commensurate with the size of the Company, the nature of its business and its multi-locational operations.*

4 Specific events / actions

We further report that

4.1 During the audit period, the following specific events and actions having a major bearing on the Company's affairs took place in pursuance of the above referred laws, rules, and regulations:

(i) The Scheme of Amalgamation for merger of Prime Property Holdings Limited, wholly-owned subsidiary of the Company with the Company, pursuant to Section 232 of the Companies Act, 2013, was approved by the National Company Law Tribunal on 27th March, 2018, and the Scheme became effective from 29th March, 2018.

(ii) The leasehold rights of the Company's SEZ located at Oragadam, Kancheepuram, were transferred to another entity, on 30th December, 2017, pursuant to the final exit order issued by the Commissioner-SEZ on 29th December, 2017. We are informed that, this sale does not require approval of the members under Section 180(1)(a) of the Act, since it is within the threshold limits prescribed thereunder.

For S Krishnamurthy & Co.
Company Secretaries

K. Sriram
Partner
Membership No: F6312
Certificate of Practice No: 2215

Date : 11th May, 2018
Place : Chennai

Annexure - A to Secretarial Audit Report of even date

To the Members of:
TVS Electronics Limited
[CIN: L30007TN1995PLC032941]
Jayalakshmi Estates, No.29, Haddows Road,
Chennai - 600 006.

Our Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31st March, 2018 is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after 31st March, 2018 but before the issue of this report.
4. We have considered compliance related actions taken by the Company based on independent legal / professional opinion / certification obtained as being in compliance with law.
5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company, as they are subject to audit by the Auditors of the Company appointed under Section 139 of the Act.
7. We have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
8. Our Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S Krishnamurthy & Co.
Company Secretaries

K. Sriram
Partner
Membership No: F6312
Certificate of Practice No: 2215

Date : 11th May, 2018
Place : Chennai

Annexure – B to Secretarial Audit Report of even date - Observations

1. Composition of the Board of directors

Since the non-executive Chairman of the Company is related to the Promoter, atleast one-half of the Board of directors of the Company should consist of independent directors, in terms of Regulation 17(1)(b) of LODR. However, only 4 out of 9 directors of the Company are Independent directors as on 31st March, 2018.

Further, in terms of Regulation 25(6) of LODR, an independent director who resigns from the Board of directors has to be replaced by a new independent director not later than the immediate next meeting of the Board of directors or three months from the date of such vacancy, whichever is later. Accordingly, the Company should have, on or before 8th February, 2018, appointed another Independent Director in the place of Mr. Kenneth Tai, who resigned as an Independent Director with effect from 9th November, 2017. However, no such appointment has been made till date. We are informed that the Company is in the process of identifying a suitable person for such appointment.

2. Presence at Annual General Meeting

Mr. Praveen Chakravarthy, Chairman of the Audit Committee, was not present at the 22nd Annual General Meeting held on 30th June, 2017, as required under Regulation 18(1)(d) of LODR. However, Mr. D Sundaram, Member of the Audit Committee, was available to answer the shareholders queries at the AGM.

3. Placing minutes of subsidiary for noting

The minutes of meetings of the Board of Directors of the unlisted subsidiary M/s. Prime Property Holdings Limited (PPHL) were not placed for noting at the Board meetings of the Company held during the year. We were informed that, since the amalgamation of PPHL with the Company (having appointed date as 1st April, 2016) was in progress, there was no material activity in PPHL during the year (other than the process of amalgamation) and hence minutes of meetings of the Board of Directors of PPHL were not placed for noting at the Board meetings of the Company.

4. Disclosure of events or information

The following events / information were not disclosed to the stock exchanges on which the Company's shares are listed, as required under Regulation 30 read with Schedule III of LODR:

(i) Change in directors that arose due to the retirement of Mr. R Ramaraj (DIN:00090279), Independent Director representing small shareholders, with effect from 1st April, 2017, upon completion of his tenure on 31st March, 2017. We are informed that since the date of his completion of his tenure was already known at the time of his appointment, the need to disclose the said information at the time of his retirement also did not arise.

(ii) The leasehold rights of the Company's undertaking in the Special Economic Zone (SEZ) located at Oragadam, Kancheepuram, were transferred to another entity, on 30th December, 2017. We are informed that since there was no material activity in the undertaking, the need to disclose the said information did not arise.

For S Krishnamurthy & Co.
Company Secretaries

K. Sriram
Partner
Membership No: F6312
Certificate of Practice No: 2215

Date : 11th May, 2018
Place : Chennai

Disclosure under SEBI (ESOP & ESPS) Guidelines, 1999 (Cumulative Position)

Employees Stock Option Scheme 2011

a)	Options Granted	11,05,000
b)	Pricing Formula	The Exercise Price for the purpose of grant of stock options will be decided by the Nomination and Remuneration Committee, provided that the Exercise Price per option shall not be less than the par value of the Equity Share of the Company.
c)	Options Vested	6,20,000
d)	Options Exercised	5,90,000
e)	The total no. of ordinary shares arising as a result of exercise of options	5,90,000
f)	Options lapsed	2,15,000
g)	Variation of terms of options	Nil
h)	Money realized by exercise of options	₹ 59,00,000/-
i)	Total no. of options in force	3,00,000
j)	(i) Details of options granted to Senior Managerial Personnel during the year	Nil
	(ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of options granted during the year	Nil
	(iii) Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital outstanding (excluding outstanding warrants & conversions) of the Company at the time of grant.	Nil
k)	Diluted earnings per share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with the Indian Accounting Standard.	₹ 8.63

For and on behalf of the Board

Gopal Srinivasan
Chairman
DIN : 00177699

Chennai
11th May, 2018

Comparative Analysis of Remuneration

S No.	Name (M/s)	Designation	Ratio to Median Remuneration	% increase in Remuneration
1.	Gopal Srinivasan	Chairman	NA	NA
	D Sundaram	NENID	NA	NA
	Srilalitha Gopal	NENID	NA	NA
	Kenneth Tai*	NEID	NA	NA
	Praveen Chakravarty	NEID	NA	NA
	Dr. Nagendra Palle	NEID	NA	NA
	M. Lakshminarayan	NEID	NA	NA
	M F Farooqui	NEID	NA	NA
	Narayan K Seshadri	NENID	NA	NA
	R S Raghavan	NENID	NA	NA
	S Nagalakshmi	Company Secretary	NA	NIL
2.	Percentage Increase in the median remuneration of employees in the financial year		13.46%	
3.	The number of permanent employees in the rolls of the Company		495	
4.	Average percentile increase in the salaries of employees other than the managerial personnel during the year 2017-18 was 12.72% and for the managerial personnel was 0.10%.			
5.	It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.			

* Resigned w.e.f. 9th November, 2017

For and on behalf of the Board

Gopal Srinivasan
Chairman
DIN : 00177699

Chennai
11th May, 2018

Annexure "F" to Board's Report for the year ended 31st March, 2018

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 3 of the Companies (Accounts) Rules, 2014

A. PRODUCT SAFETY & ENERGY CONSERVATION

(a) Measures taken:

BIS Safety compliances Testing,Certification and registration completed for all products.

(b) Proposed measures:

Requirement for Safety compliance and Compulsory Registration in BIS is under progress for additional products.

B. TECHNOLOGY ABSORPTION

1. Specific areas in which R&D was carried out by the Company:

(a) IT Peripherals

i. Mobile printer developed with unique features

ii. Introducing high density DPM Scanners

iii. Introduction of new variants of Thermal & Label printers incorporating the latest technology advancements.

iv. 24W gate array technology for all 24W Printers

v. 9W Low Current print head

vi. Mobile printer 2"

vii. New variant in Mechanical key board category

viii. Receipt printer for Diary segment to work in Solar powered environment

(b) Customization projects

i. Under process of developing customized thermal printer mechanism for a unique special applications.

ii. New Thermal printer for ticketing application developed.

2. Future plan of action

The Company is working on Retail automation and payment devices in the area of Point of Sales by offering innovation and customization.

3. Technology absorption, adoption and Innovations

a) Efforts in brief

Key research employees and new joinees have been trained for DMP system, Thermal technology, Electronic Cash Registers, Power consumption, Plastic / Sheet metal parts design and ROHS compliance.

b) Benefits derived as a result of the above efforts

Feature rich products for Retail automation.

c) Technology absorption

1) Battery operated thermal technology receipt printer with Bluetooth interface

2) DC-DC power source compatible with solar power

C. EXPORT ACTIVITIES

The Company exported Printers and other components

₹ in Lakhs

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
(a) Total Forex earned (FOB)	**2,494.95**	4,598.74
(b) Total Forex used (FOB)	**8,836.77**	10,571.87

For and on behalf of the Board

Gopal Srinivasan
Chairman
DIN : 00177699

Chennai
11th May, 2018

PARTICULARS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1	A brief outline of the Company's CSR Policy, overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR Policy.	The Company was engaged in CSR activities for the past many decades. Through CSR initiatives, the Company intends to give back to the society as a corporate citizen, with a focus on education, health and hygiene, culture and heritage. The CSR policy inter alia guides on CSR budget and utilization, project identification and selection criteria, monitoring and reporting framework etc. The complete CSR policy of the Company may be accessed at: https://www.tvs-e.in/pdf/TVSE-CSR-policy.pdf
2	Composition of the CSR committee	Mr. M Lakshminarayan, Chairman Mr. D Sundaram, Member Mr. R S Raghavan, Member
3	Average net profits of the Company for the last three financial years	₹ 646.37 Lakhs
4	Prescribed CSR Expenditure (2% of the amount as in item 3 above)	₹ 12.93 Lakhs
5	Details of CSR spent during the year 2017-18	₹ 13.00 Lakhs
	Amount unspent, if any	Not applicable
6	Reasons for not spending the prescribed amount	Not applicable
7	Manner in which the amount has been spent during the financial year	In terms of the CSR Policy, the Company undertook CSR activities by providing educational assistance to underprivileged children in rural areas.
8	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company	The implementation and monitoring of CSR Policy is in accordance with the CSR objectives and policy of the Company. The CSR Committee has ensured that all the identified projects are in line with the Act, which has been periodically reviewed and is led by the Chairman of the CSR Committee.

For and on behalf of the Board

Gopal Srinivasan
Chairman
DIN : 00177699

Chennai
11th May, 2018

[Under Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

(1) Brief statement on Company's Philosophy on Code of Governance

The Company, in line with the philosophy of TVS Group, follows good and effective principles of Corporate Governance, on a continuous and ongoing basis by adopting fair, transparent and ethical governance practices. The Company is committed to conducting its business to achieve long term growth to enhance shareholders wealth.

The activities and conduct of the Company are governed by the Code of Business Conduct and Ethics for its Directors (including its Non-Executive Directors) and senior management personnel. The measures implemented by the Company, including the Vigil Mechanism, internal control systems, etc., are regularly assessed for their effectiveness. The Board of Directors conducts business in due compliance of the applicable laws and periodically undertakes review of business plans, performance and compliance to regulatory requirements.

(2) Board of Directors

As at 31st March 2018, the Board of Directors of the Company consisted of nine (9) Directors comprising of a Non-Executive and Non-Independent Chairman, four Non Executive and Non-Independent Directors including one Woman Director and four Non-Executive Independent Directors. All Board members are accomplished professionals in their respective fields of expertise. The Company is taking steps to identify a suitable person to be appointed as an Independent Director, in view of the resignation of an Independent Director on 9th November, 2017.

At the Board meeting held on 11th May 2018, Mrs. Srilalitha Gopal, one of the non executive non independent director has been appointed as the Managing Director. None of the Directors are related to each other except Mr. Gopal Srinivasan and Mrs. Srilalitha Gopal who are spouses.

The structure consists of Board of Directors and various subcommittees overseeing the entire management.

All the Directors have disclosed other directorships and committee positions in other public companies. It is observed that directorships / committee memberships and chairmanships are as per the prescribed limits provided under the applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

During the financial year 2017-18, five Board Meetings were held respectively on 12th May, 2017, 11th August, 2017, 10th November 2017, 9th February 2018 and 21st March, 2018. The gap between any two meetings did not exceed 120 days.

The last Annual General Meeting (AGM) of the Company was held on 30th June, 2017. The Chairman of the Audit Committee could not attend the AGM in view of urgent commitments. Instead, Mr. D Sundaram, member representing the Audit Committee was present in the AGM. Further, the Chairmen of Stakeholders Relationship Committee and Nomination and Remuneration Committee attended the AGM.

All the existing Non Executive Independent Directors are not liable to retire by rotation and have been appointed by the shareholders for a period of 5 years.

The names and categories of the Directors on the Board, their attendance at Board Meetings and AGM held during 2017-18 and as on date of this report and the number of directorships and Committee Chairmanships / Memberships held by them in other companies are provided hereunder:

Name of the Director	Category	No. of Board Meetings during the year 2017-18		Whether attended last AGM held on 30th June, 2017	Number of other Directorships and Committee Memberships / Chairmanships		
		Held	Attended		Other Directorships (a)	Committee Memberships (b)	Committee Chairmanships
Mr. Gopal Srinivasan Chairman DIN00177699	Chairman Non-Independent Non-Executive	5	4	Yes	17	2	-
Mrs. Srilalitha Gopal DIN 02329790	Non-Independent Non-Executive	5	5	Yes	2	-	-
Mr. D Sundaram DIN 00016304	Non Independent Non-Executive	5	5	Yes	7	5	3
Mr. Kenneth Tai (c) DIN 01964412	Independent Non-Executive	5	1	No	-	-	-
Mr. Praveen Chakravarty DIN 00766422	Independent Non-Executive	5	3	No	5	-	-
Dr. Nagendra Palle DIN 06964686	Independent Non-Executive	5	5	Yes	1	-	-
Mr. M Lakshminarayan DIN 00064750	Independent Non-Executive	5	4	Yes	11	3	1
Mr. M F Farooqui DIN 01910054	Independent Non-Executive	5	4	Yes	1	-	-
Mr. Narayan K Seshadri DIN 00053563	Non Independent Non-Executive	5	4	Yes	17	6	4
Mr. R S Raghavan DIN 00260912	Non Independent Non-Executive	5	5	Yes	4	2	-

(a) includes directorship of private limited companies andbodies corporate in India.

(b) Includes membership of Audit Committee, Stakeholders Relationship Committee only.

(c) Ceased to be a Director with effect from 9th November, 2017.

A Certificate from the Practising Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this Report. The observations made by the Practising Company Secretary is self explanatory.

Shares held by Directors

Mr. Gopal Srinivasan holds 150 equity shares and Mr. Narayan K Seshadri holds 5,30,000 equity shares. None of the other directors hold any equity shares in the Company.

None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company other than Sitting Fees for Board and Committee Meetings.

The Company ensures that all statutory, significant material information are placed before the Board/ Committees of Directors for their noting / approval to enable them to discharge their responsibilities as trustees of the large family of shareholders. During the year, information on matters mentioned in terms of Regulation 17 (3)of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board for its consideration. The Board periodically reviews compliance of all laws applicable to the Company.

Scheduling and selection of Agenda items for Board Meetings

All departments of the Company schedule their work plans in advance, particularly with regard to matters requiring consideration at the Board/Committee Meetings.

Post meeting follow-up mechanism

Important decisions taken at the Board/Committee Meetings are promptly communicated to the concerned departments. Action Taken Report on decisions/minutes of previous meetings is placed at the succeeding meetings of the Board/Committee for noting.

Code of Conduct for Board of Directors and Senior Management t

The Code of Conduct has been communicated to all the Directors and members of the senior management. The Code is also available on the Company's website www.tvs-e.in. All Directors and Senior Management Personnel have confirmed compliance with the Code for the year ended 31st March, 2018. The Annual Report contains a declaration to this effect signed by the Chief Executive Officer.

(3) Audit Committee

The Audit Committee as reconstituted on 12th May, 2017, consists of the following members:

Mr. Praveen Chakravarty - Non Executive Independent - Chairman of the Committee

Mr. D Sundaram - Non Executive Non Independent

Dr. Nagendra Palle - Non Executive Independent

Mr. M Lakshminarayan - Non Executive Independent

Mr. M F Farooqui - Non Executive Independent

The members of the Audit Committee possess financial / accounting expertise and exposure. The Audit Committee consists of majority of Independent Directors.

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

The Committee's constitution and terms of reference are in compliance of the Companies Act, 2013, Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The brief terms of reference are as under:

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Reviewing, with the management, the quarterly and annual financial results and statements before submission to the Board for approval.
3. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor including Cost Auditors and the fixation of their fees.

4. Approving payment to statutory auditors, including cost auditors for any other services rendered by them.
5. To review the functioning of the Whistle Blower and Vigil mechanism.
6. Approval or any subsequent modification of transactions of the Company with related parties.
7. Scrutiny of inter-corporate loans and investments.
8. Evaluation of internal financial controls and risk management systems.
9. Other matters as set out in Section 177 of the Companies Act, 2013 and the rules made thereunder and under Part C of Schedule II read with Regulation 18(3) of the SEBI (LODR) Regulations, 2015.

All regulations pertaining to the meetings of the Board / Committees of the Board as contained in the Articles of Association of the Company in so far as they are not repugnant to the context and meaning thereof, to the provisions contained herein, shall mutatis-mutandis, apply to the meetings of this Committee.

The subjects reviewed and recommended in the meetings of the Audit Committee were appraised to the Board by the Chairman of the Audit Committee.

Four Audit Committee Meetings were held during the year respectively on 12th May, 2017, 11th August, 2017, 9th November, 2017 and 9th February, 2018. The gap between any two meetings did not exceed 120 days.

The Chief Executive Officer, Chief Financial Officer, Statutory Auditors Internal Auditors, Cost Auditors and such other executives, are invitees to the meeting.

Details of the Audit Committee Meeting:

The details of Audit Committee meetings attended by its members, in terms of the SEBI (LODR) Regulations, 2015, during the financial year 2017-18 are given below:

S No.	Name of the Member	Status	Number of Meetings	
			Held	Attended
1.	Mr. Praveen Chakravarty, Chairman	Non-Executive Director - Independent	4	3
2	Dr. Nagendra Palle	Non-Executive Director - Independent	4	3
3	Mr. D Sundaram	Non-Executive Director - Non-Independent	4	4
4	Mr. M Lakshminarayan	Non-Executive Director - Independent	4	3
5	Mr. M F Farooqui	Non-Executive Director - Independent	4	3

(4) Nomination and Remuneration Committee (NRC):

The NRC as constituted on 6th August, 2015 consists of the following members.

Mr. M F Farooqui - Non Executive Independent - Chairman of the Committee.

Mr. Praveen Chakravarty - Non Executive Independent.

Mr. M Lakshminarayan - Non Executive Independent.

Mrs. Srilalitha Gopal - Non Executive Non Independent.

Mr. Narayan K Seshadri - Non Executive Non Independent.

The Company Secretary shall be the Secretary of the Committee.

There has been no change in the constitution or terms of the Committee during the year.

Brief terms of reference:

1) To identify persons who are qualified to become directors and who may be appointed in senior management and recommend their appointment

and / or removal to the Board of Directors of the Company.

2) To carry out the evaluation of every Director's performance.

3) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the directors, Key Managerial Personnel and other employees.

4) To formulate the criteria of evaluation of Independent Directors and the Board.

5) To devise a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

6) To review and recommend remuneration of Managing Directors / Whole time directors based on their performance and defined assessment criteria.

7) To administer, monitor, formulate the detailed terms and conditions of the Employees Stock Option Scheme and allot shares under the said ESOP Scheme to the employees / Directors of the Company, its subsidiaries and holding company.

8) Other matters as set out in Section 178 of the Companies Act, 2013 and the rules made thereunder and under Part D of Schedule II read with Regulation 19(4) of the SEBI (LODR) Regulations, 2015.

The Nomination and Remuneration Committee met two times during the year on 12th May, 2017 and 9th November, 2017.

The details of Nomination and Remuneration Committee meetings attended by its members are given below:

S No.	Name of the Member	Status	Number of Meetings	
			Held	Attended
1.	Mr. M F Farooqui, Chairman	Non-Executive Director-Independent	2	1
2.	Mrs. Srilalitha Gopal	Non-Executive Director-Non-Independent	2	2
3	Mr. Praveen Chakravarty	Non-Executive Director-Independent	2	2
4.	Mr. M Lakshminarayan	Non-Executive Director-Independent	2	2
5.	Mr. Narayan K Seshadri	Non-Executive Director-Non-Independent	2	1

Policy on Remuneration and Selection Criteria

The Board has, on the recommendation of the Nomination and Remuneration Committee has framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration.

The Nomination and Remuneration Policy (NRC) is posted on the website www.tvs-e.in.

Remuneration Policy

Directors

NRC will recommend the remuneration for Executive and Non-Executive Directors, which will then be approved by Board and shareholders, wherever required, as the case may be.

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board Meetings. The sitting fees shall be decided by the Board of Directors within the overall limits prescribed under the Companies Act, 2013.

(5) Remuneration to Directors:

(a) Non - Executive Directors

During the year 2017-18, the Company paid Sitting Fees of ₹ 25,000/- per meeting to its Non-Executive Directors for attending meetings of the Board and its Committees, which is within the limits prescribed under the Companies Act, 2013.

Details of sitting fees paid for the year ended 31st March, 2018:

Name of the Director	₹ lakhs
Mr. Gopal Srinivasan	1.00
Mrs. Srilalitha Gopal *	2.75
Mr. D Sundaram	3.50
Mr. Praveen Chakravarty	2.25
Mr. Kenneth Tai **	0.50
Dr. Nagendra Palle	2.25
Mr. M Lakshminarayan	2.50
Mr. M F Farooqui	2.00
Mr. Narayan K Seshadri	1.25
Mr. R S Raghavan	1.50

* Appointed as Managing Director with effect from 11th May, 2018.

** Ceased to be a Director with effect from 9th November, 2017.

(b) There is no separate provision for payment of severance fees to any of the Directors of the Company.

Senior Management Personnel

The remuneration of Senior Management and Key Managerial personnel is decided considering the current employment scenario and remuneration package of the industry. The relationship between the remuneration and performance benchmark is also made clear while determining their remuneration package.

Criteria for Board membership

Directors

The Company has appointed the Directors with rich experience and expertise in various Sectors of Finance, Information Technology, governance and other disciplines to ensure Board diversity with Directors having expertise in the fields related to the Company's business.

Independent Directors

The Independent Directors are appointed by the shareholders and they do not have any direct or indirect material relationship with the Company or any of its officers and they meet all criteria specified in Section 149(7) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

The Nomination and Remuneration Committee ensures that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

Evaluation

Board Evaluation and criteria

Pursuant to the provisions of Companies Act, 2013, the Board has carried out an evaluation of its own performance, the Directors individually as well as the evaluation of the working of all its Committees. Evaluation has been carried out on the basis of functioning, adequacy of composition of the Board and its Committees, Board processes and of its Committees, Board culture, execution and performance of the obligations and governance of the Board as well as the Committees.

Policy on Board Diversity

The Nomination and Remuneration Committee has devised the Policy on Board diversity to have balance of skills, experience and diversity on the Board.

(6) Stakeholders' Relationship Committee (SRC):

The SRC as reconstituted on 12th May, 2017, comprises of the following members:

Mr. D Sundaram - Non Executive Non Independent Director - Chairman of the Committee.

Mrs. Srilalitha Gopal - Non Executive Non Independent Director.

The Stakeholders' Relationship Committee met four times during the year on 30th June, 2017, 11th August, 2017, 27th November, 2017 and 9th February, 2018.

The details of Stakeholders' Relationship Committee meetings attended by its members are given below:

S No.	Name of the Member	Status	Number of Meetings	
			Held	Attended
1.	Mr. D Sundaram	Non-Executive Director- Non-Independent	4	4
2.	Mrs. Srilalitha Gopal	Non-Executive Director- Non-Independent	4	4

Complaints received and redressed during the financial year 2017-18:

Pending at the beginning of the year	Received during the year	Resolved during the year	Pending at the end of the year
Nil	6	6	Nil

S. No.	Nature of Complaint	No. of Complaints
1.	Non receipt of share certificates	3
2.	Non receipt of dividend warrants	2
3.	Non receipt of Annual Reports	Nil
4.	Other Complaints	1
	Total	6

As on 31st March, 2018 all the complaints received from the investors were redressed and no complaints were pending for redressal as on that date. The dematerialisation requests from the Shareholders were also carried out within the stipulated time period and no Certificates were pending for dematerialisation as at the end of the financial year 31st March, 2018.

Business and Technology Committee:

The Business and Technology Committee, as reconstituted on 12th May, 2017 to review, evaluate, monitor and advise on Company's technological requirements based on emerging technologies and oversee the implementation of new IT initiatives and also to review the efficacy and safety of the existing Information technology systems etc., comprises of the following members.

Mr. M Lakshminarayan - Non Executive Independent Director - Chairman of the Committee.

Dr. Nagendra Palle - Non Executive Independent Director.

Mr. Narayan K Seshadri - Non Executive Non Independent Director.

The Committee did not meet during the year.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee consists of the following members.

Mr. M Lakshminarayan, Chairman

Mr. D Sundaram, Member

Mr. R S Raghavan, Member

The CSR Committee met on 11th August, 2017 and all the members were present except Mr. M Lakshminarayan. The details of CSR Policy, initiatives and spending are spelt out in Directors report.

Risk Management

The Company has formulated and implemented a detailed Risk Management Matrix covering key aspects as provided under SEBI (LODR) Regulations, 2015.

Meeting of Independent Directors

During the year, the Independent Directors met on 12th May, 2017 and evaluated the performance of Non Independent Directors, the Board as a whole and the Chairman of the Company considering the views of other Directors.

The Independent Directors also discussed the Board processes including the evaluation of quality content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Company has issued formal letters of appointment to Independent Directors and also disclosed the terms of appointment in the website of the Company.

(7) General Body Meetings:

a. Annual General Meetings

The last three Annual General Meetings were held as under:

Year	Location	Date	Time
2015	Sri Thyaga Brahma Gana Sabha (Vani Mahal) No.103, G N Chetty Road T. Nagar, Chennai - 600 017.	06.08.2015	3.15 PM
2016	Narada Gana Sabha, No.314/254, TTK Road, Alwarpet, Chennai - 600 018.	30.06.2016	10.30 AM
2017	Narada Gana Sabha, No.314/254, TTK Road, Alwarpet, Chennai - 600 018.	30.06.2017	10.00 AM

Extraordinary General Meeting

The Company convened meeting of Equity Shareholders as per the directions of the National Company Law Tribunal, Single Bench, Chennai for the purpose of approving the Scheme of Amalgamation between TVS Electronics Limited (Transferee Company) and Prime Property Holdings Limited (Transferor Company).

E-voting facility was offered to the shareholders to enable them to participate in the voting process. Mr. K Sriram, Practising Company Secretary was appointed as Scrutinizer for the remote e-voting facility and for the voting at the venue.

The details are as under;

Year	Location	Date	Time
2017	Kasturi Srinivasan Hall (Mini Hall), The Music Academy, No. 168 (Old No. 306), T.T.K Road, Chennai - 600 014.	27.11.2017	10.30AM

The result of e-voting for approving the Scheme of Amalgamation is given below:

Particulars	No. / % of votes cast in favour		No. / % of votes cast against	
E-Voting	12103797	99.99%	60	0.01%

b. Postal Ballot

No Postal Ballot process was conducted during the year.

c. Special Resolutions

i. There were no special resolutions passed by shareholders in the Annual General Meeting during the last three years.

ii. A special resolution is being placed for the approval of the shareholders at the ensuing 23rd Annual General Meeting. No special resolution is proposed to be conducted through postal ballot.

(8) Means of communications:

The quarterly unaudited results of the Company have been published in English in Business Standard and the Tamil version in Makkal Kural.

The quarterly / annual financial results, shareholding pattern, official announcements etc., are sent to Stock Exchanges. The shareholders can access the same at www.nseindia.com and at www.bseindia.com and the Company's website at www.tvs-e.in.

The Company's website (www.tvs-e.in) contains a separate section "Investors" where shareholders information, Annual Reports and other information is available. The press releases which are made after the board meetings of consideration of results are also displayed on the website of the Company. The Company has not made any presentations to institutional investors or analysts.

(9) General shareholder Information:

a. Annual General Meeting –

Date : Thursday, 9th August, 2018

Time : 10.00 a.m.

Venue : Sri Thyaga Brahma Gana Sabha (VaniMahal), No.103, G N Chetty Road, T. Nagar, Chennai - 600 017.

b. Financial Year : 1st April to 31st March

c. Financial reporting for the quarter ending for the financial year ending 31st March, 2019 (Tentative)

30th June, 2018	On or Before 14th August, 2018
30th September, 2018	On or Before 14th November, 2018
31st December, 2018	On or Before 14th February, 2019
31st March, 2019	On or Before 30th May, 2019
Annual General Meeting	Between June and September 2019

d. The Board of Directors at their meeting held on 11th May, 2018 have recommended a dividend of ₹ 1.50 per Equity Share of face value of ₹ 10/- each for the financial year ended 31st March, 2018.

e. Record date for ascertaining shareholders eligible to cast their votes for the items set out in the notice convening the AGM through e-voting and dividend entitlement - 2nd August, 2018. The dividend will be paid on and from 20th August 2018.

f. Listing on Stock Exchanges:

The Company's Equity Shares are listed on the following Stock Exchanges:

Sl. No.	Name of the Stock Exchange	Stock Code
1	BSE Limited Floor 25, P. J. Towers, Dalal Street, Mumbai - 400 001.	532513
2	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.	TVSELECT

Annual listing fees have been paid to the above Stock Exchanges, for the financial year 2018-19.

Corporate Identification Number (CIN) of the Company: L30007TN1995PLC032941

g. Market Price Data

High, Low (based on closing prices) and number of shares traded during each month in the financial year 2017-18 on BSE Limited and National Stock Exchange of India Limited:

Month	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Total No. of shares traded	High (₹)	Low (₹)	Total No. of shares traded
April, 2017	216.15	170.50	12,64,854	215.80	171.45	74,29,310
May, 2017	207.85	169.30	6,52,037	207.90	168.25	35,42,327
June, 2017	202.55	171.25	6,23,192	202.65	173.70	32,36,170
July, 2017	212.00	180.00	6,84,035	211.90	179.25	52,47,780
August, 2017	195.35	168.50	2,92,714	196.10	172.00	18,84,254
September, 2017	312.00	179.85	31,49,355	311.90	179.00	1,76,18,790
October, 2017	544.60	280.15	37,45,990	545.65	280.00	1,95,99,210
November, 2017	502.20	396.20	16,26,085	502.00	394.60	79,04,389
December, 2017	424.00	375.00	2,56,531	429.00	373.40	6,18,492
January, 2018	463.00	385.00	2,09,271	444.00	377.05	6,66,181
February, 2018	437.00	336.00	3,29,661	439.00	352.70	14,00,828
March, 2018	400.00	331.05	2,55,818	405.80	334.25	11,82,533

The Company's share price performance in comparison to BSE Sensex based on share price as on 31st March.

Financial year	Percentage change in	
	Company's share price (%)	Sensex (%)
2017-18	98.48	11.30
2016-17	66.99	16.88
2015-16	210.79	(9.36)

h. Transfer System:

With a view to rendering prompt and efficient services to the investors, the Company has handed over the share registry work pertaining to the Company to M/s. Sundaram-Clayton Limited (SCL), Chennai, with effect from 11th October, 2004. SCL has registered itself with SEBI as share transfer agents in Category II to carry on the share registry work of group as well as associate companies with effect from 21st April, 2004.

Transfer of these shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with SCL at the address given below:

Sundaram-Clayton Limited
"Jayalakshmi Estates" I floor
29, Haddows Road
Chennai 600 006
Telephone Nos. 044 28272233 / 28307700
Fax No. 044 2825 7121
Email id :kr.raman@scl.co.in,
sclshares@gmail.com
Time: 10.00 a.m. to 3.30 p.m. (Monday to Friday except holidays)

Transfer of shares in physical form is normally processed within ten days from the date of receipt, if the documents are complete in all respects.

i. Distribution of equity shareholding as on 31st March, 2018:

No. of shares held	No. of share Holders	% of share Holders	No. of shares held	% of share Holding
Upto 500	35,194	95.22	32,50,025	17.46
501 to 1000	1,064	2.88	8,56,283	4.60
1001 to 2000	382	1.03	5,78,785	3.11
2001 to 3000	132	0.36	3,36,174	1.81
3001 to 4000	46	0.12	1,59,827	0.86
4001 to 5000	44	0.12	2,06,776	1.11
5001 to 10000	64	0.17	4,57,611	2.46
10001 and above	34	0.09	1,27,67,337	68.59
TOTAL	36,960	100.00	1,86,12,818	100.00

j. Pattern of equity shareholding as on 31st March, 2018:

Shareholders	No. of shares held	% of total shares held	No. of shareholders
Promoter Company	1,11,60,093	59.96	1
Directors & Relatives	5,30,400	2.85	4
Corporate Bodies	7,91,673	4.25	364
Nationalised Banks/ MF/ UTI/PFI	9,750	0.05	12
Resident Individuals	57,99,650	31.16	35,678
Foreign Institutional Investors	100	0.00	1
Foreign Portfolio Investors (Corporate)	16,111	0.09	2
Non-Resident Indians/Overseas Corporate Bodies	3,05,041	1.64	898
TOTAL	1,86,12,818	100.00	36,960

k. Dematerialisation of Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialised form on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services

(India) Limited (CDSL). Details of Equity shares of the Company in dematerialised and physical form as on 31st March, 2018, is given below:

Mode of Holding	Percentage	No. of shareholders	No. of Shares
Demat	94.86	32,664	1,76,57,011
Physical	5.14	4,296	9,55,807
Total	100.00	36,960	1,86,12,818

- Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE236G01019.
- Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity: **Nil**

l. Plant / Repair Factories locations:

Uttarkhand
No. E12, Selaqui Industrial Estate,
Selaqui, Dehradun, Uttarkhand

Chennai
Valluvarkottam Tower-1, Bascon Maeru Towers
Kodambakkam High Road, Chennai - 600 034.

Tumkur
Panditanahalli, Hirehalli Post,
Tumkur District, Karnataka

Oragadam and Noida factories were closed during the year.

m. Address for Investor's Correspondence:
Sundaram-Clayton Limited
Share Transfer Agent
Unit: TVS Electronics Limited
"Jayalakshmi Estates" I Floor,
29, Haddows Road, Chennai - 600 006.
Telephone Nos. 044 28272233 / 28307700
Fax No. 044 2825 7121
Email id: kr.raman@scl.co.in,
sclshares@gmail.com
investorscomplaintssta@scl.co.in

Designated e-mail address for investor services:
investorservices@tvs-e.in

Compliance Officer: Ms. S Nagalakshmi,
Company Secretary
E-Mail id: s.nagalakshmi@tvs-e.in

o. Transfer of unpaid / unclaimed amounts to Investor Education and Protection Fund:

The Company is not having any unclaimed dividends which is due for remittance into IEPF.

p. Unclaimed Shares:

In terms of the provisions of Regulation 39(4) read with Schedule VI of SEBI (LODR) Regulations the unclaimed share certificates are required to be dematerialized and transferred to "Unclaimed Suspense Account". As required under SEBI (LODR) Regulations, the Company sent reminder letters to the shareholders, whose share certificates were returned undelivered or unclaimed. The voting rights in respect of unclaimed shares held in Unclaimed Suspense Account stands frozen in terms of Regulation 39 read with Schedule VI of SEBI (LODR) Regulations, till the rightful owners of such shares claim them.

The Disclosures with respect to demat suspense account / unclaimed suspense account is given below:

Details	No. of shareholders / No. of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	635 shareholders for 92,482 shares
Number of shareholders who approached the Company for transfer of shares from suspense account during the year;	8 shareholders for 1,550 shares
Number of shareholders to whom shares were transferred from suspense account during the year;	8 shareholders for 1,550 shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	627 shareholders for 90,932 shares
Voting rights	The voting rights of such shares shall remain frozen till the rightful owner claims the shares

q. Request to Investors

- Investors holding shares in physical mode are requested to communicate change of address, bank account details, dematerialisation request, etc., if any, directly to the Registered Office or the Share Transfer Agent of the Company.
- Investors holding shares in electronic form are requested to deal only with their Depository Participant (DP) in respect of change of address, bank account details, etc.
- Dematerialise your Physical Shares to Electronic Form and eliminate all risks associated with holding physical share certificates. It also provides ease in Portfolio Management. Further, in terms of SEBI notification dated 8th June 2018, the Company will not be in a position to entertain the request for registration of physical transfer of shares on or after 5th December, 2018.
- Green Initiative - Electronic copy of full Annual Report are being sent to all the members whose email IDs are registered with the Company / Depository Participants. For members who have not registered their email address with the Company / Depository Participants, hard copy of the annual report is being sent. The Company will send a hard copy of the full Annual Report, if requested by the Members. Members are requested to support this initiative and register their e-mail ids promptly with DPs in case of electronic shares or with the STA, in case of physical shares.
- Investors who have not availed nomination facility are requested to kindly fill in the nomination form and submit the same to the Company/Share Transfer Agent or the DP along with the requisite proof of nomination.

(10) Other Disclosures:

Related Party transactions

All transactions entered into with Related Parties as defined under Regulation 23 of SEBI (LODR) Regulations, 2015 during the financial year were in the ordinary course of business and on an arms length basis and did not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Indian Accounting Standards has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which is available on the Company's website www.tvs-e.in.

The Board has obtained certificates / disclosures from key management personnel and senior management personnel confirming they do not have any material financial and commercial interest in transactions with the Company at large.

The Company has complied with Regulation 23 of SEBI (LODR) Regulations, 2015 and applicable provisions of Companies Act, 2013 with respect to related party transactions.

Vigil and Whistle Blower mechanism

The Company has formulated the Vigil and Whistle Blower Mechanism as required under the Companies Act, 2013 which is in line with Regulation 22 of SEBI (LODR) Regulations, 2015. The Company has appointed the Audit Committee Chairman as the Ombudsman for the mechanism, under which employees can directly report to the ombudsman. It is affirmed that no personnel is denied access to the Audit Committee.

All the mandatory requirements specified under Regulation 22 of the SEBI (LODR) Regulations, 2015 have been complied with.

Corporate Governance requirement with respect to subsidiary

1. The Company has only one subsidiary which is not a material subsidiary. Since the subsidiary is not a material subsidiary, there is no requirement to appoint an Independent Director of the Company on the Board of Directors of the Subsidiary.
2. The Audit committee reviews the financial statements and in particular, the investments made by the subsidiary.
3. The management of the subsidiary periodically presents a statement of all significant transaction to the Board of Directors of the Company.

Since the Company is not having any material subsidiary, there is no requirement to evolve a Policy for determining material subsidiaries.

Disclosure of commodity prices and commodity hedging activities is not applicable to the Company considering the nature of its business.

Compliance Certificate from Practicing Company Secretary

Certificate from M/s. S Krishnamurthy & Co., Practicing Company Secretaries, Chennai, on compliance with conditions of Corporate Governance under SEBI (LODR) Regulations, 2015 is forming part of this Annual Report.

Secretarial Compliance Certificate from Secretarial Auditor

Secretarial Audit Report given by M/s. S Krishnamurthy & Co, Practicing Company Secretaries forms part of this Annual Report.

Employee Stock Options

The information on Options granted by the Company under the Employees Stock Option Scheme and other particulars with regard to Employee Stock Options are set out under Board's Report. The Company has not granted any stock options during the year under review.

CEO / CFO certification

The Chief Executive Officer and Chief Financial Officer of the Company have certified to the Board of Directors, inter-alia, the accuracy of financial statements of the Company as required under the SEBI (LODR) Regulations, 2015.

Disclosures

There were no instances of imposition of penalties or strictures on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.

Familiarisation Program for Board Members

Details of familiarization program imparted to the Independent directors are available in the following weblink:https://www.tvs-e.in/pdf/com_in/Familiarisation-programme-during-2017-18.pdf

The Company has fulfilled the following non-mandatory requirements as detailed below:

The Board:

The Board has a Non-Executive Chairman who functions from his own office.

Shareholder’s rights

The quarterly, half yearly and annual financial results of the Company are published in leading newspapers and are also posted on the Company's website.

Audit Report

The Auditors report is unqualified.

Separate posts of Chairman and CEO

The Company has appointed separate persons to the post of Chairman and Chief Executive Officer.

Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

Certificate regarding compliance of conditions of corporate governance

[Pursuant to paragraph E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members of TVS Electronics Limited
CIN: L30007TN1995PLC032941
"Jayalakshmi Estates", 29, Haddows Road,
Chennai - 600006

We have examined the compliance of the conditions of Corporate Governance by **M/s. TVS Electronics Limited** *("the Company")* during the **financial year ended 31st March 2018**, as stipulated under regulation numbers 17 to 27, 46(2)(b) to (i), Schedule V (paragraphs C, D and E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

The Company is required to comply with the said conditions of Corporate Governance set out in LODR on account of the Listing Agreements it has entered into with the National Stock Exchange of India Limited and BSE Limited for listing its equity shares.

The Company's management is responsible for compliance with the conditions of Corporate Governance.

We have broadly reviewed the procedures adopted by the Company for ensuring compliance with the conditions of Corporate Governance and implementation thereof. Our review was neither an audit nor an expression of opinion on the financial statement of the Company.

We hereby certify that, in our opinion and to the best of our information and based on the records furnished for our verification and the explanations given to us by the Company, its officers and agents, the Company has, during the financial year ended 31st March 2018, complied with the conditions of Corporate Governance covered under the above referred regulations of LODR, except for the following:

(a) Regulation 17(1)(b) of LODR:

Since the non-executive Chairman of the Company is related to the promoter, atleast one-half of the Board of directors of the Company should consist of Independent Directors. However, only 4 (four) out of the 9 (nine) directors of the Company were Independent Directors during the period from 9th November, 2017 to 31st March, 2018.

(b) Regulation 18(1)(d) of LODR:

Mr. Praveen Chakravarthy, Chairman of the Audit Committee, was not present at the 22nd Annual General Meeting of the members held on 30th June, 2017 (AGM). However, Mr. D Sundaram, Member of the Audit Committee, was available at the AGM venue to answer the shareholders' queries.

(c) Regulation 24(3) of LODR:

The minutes of meetings of the Board of Directors of the unlisted subsidiary M/s. Prime Property Holdings Limited (PPHL) were not placed for noting at the Board meetings of the Company held during the year. We were informed that, since the amalgamation of PPHL with the Company (having appointed date as 1st April, 2016) was in progress, there was no material activity in PPHL during the year (other than the process of amalgamation) and hence minutes of meetings of the Board of Directors of PPHL were not placed for noting at the Board meetings of the

Company. The National Company Law Tribunal, Chennai Bench, has approved the amalgamation of PPHL with the Company on 27th March, 2018 and the amalgamation has taken effect from 29th March, 2018.

(d) **Regulation 25(6) of LODR:**

An independent director who resigns from the Board of directors has to be replaced by a new independent director not later than the immediate next meeting of the Board of directors or three months from the date of such vacancy, whichever is later. Accordingly, the Company should have, on or before 8th February, 2018, appointed another Independent Director in the place of Mr. Kenneth Tai, who resigned as an Independent Director with effect from 9th November, 2017. However, no such appointment has been made till date.

We further wish to state that our opinion regarding such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company during the said financial year.

For S Krishnamurthy & Co.
Company Secretaries

K. Sriram
Partner
Membership No: F6312
Certificate of Practice No: 2215

Date : 11th May, 2018
Place : Chennai

Declaration from CEO regarding the adherence to the Code of Business Conduct and Ethics by the Board of Directors and Senior Management

To

The Shareholders of
TVS Electronics Limited
Chennai - 600 006

On the basis of the written declaration received from Members of the Board and Senior Management Personnel in terms of the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby certify that the Members of the Board of Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics of the Company during the year ended 31st March, 2018.

Chennai
11th May, 2018

Prakash Katama
Chief Executive Officer

STANDALONE FINANCIAL STATEMENTS

To the Members of,
TVS Electronics Limited,
Chennai.

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of TVS Electronics Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS 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 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 Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us and other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us,and based on the consideration of the report of the other auditor on separate financial statements/ financial information of an erstwhile subsidiary company, Prime Property Holdings Limited, (refer note 32) to the Ind AS financial statements which describes the merger of Prime Property Holdings Limited with the Company) referred to in the Other Matters paragraph below, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matters

a) We did not audit the financial statements/ financial information of an erstwhile subsidiary company whose financial statements/financial information reflect total assets of ₹ 804 Lakhs as at 31st March, 2018 and total revenues of ₹ Nil for the year ended on that date, as considered in the standalone Ind AS financial statements. The financial statements/ financialinformation of erstwhile subsidiary company have been audited by other auditors whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this erstwhile subsidiary company, is based solely on the report of theother auditors.

   Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

b) The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these standalone Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the years ended 31st March 2017 and 31st March 2016 dated 12th May 2017 and 4th May 2016, respectively, expressed a modified opinion on those standalone financial statements. The modification for the year ended 31st March, 2017 relates to remuneration of ₹ 1.50 Lakhs paid to the Managing Director in excess of the amount approved by the Central Government and provisions of Section 197 of the Companies Act, 2013 read with Schedule V of the Act. The modification for the year ended 31st March, 2016 relates to an unsecured loan of ₹ 150 Lakhs granted to a wholly owned subsidiary, which had no principal business activity.The said financial statements have been restated to comply with Ind AS. Adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

c) The comparative financial information of the aforesaid erstwhile subsidiary company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 prepared in accordance with Ind AS included in these Standalone Ind AS financial statements have been audited by the other auditor.

Our opinion on the standalone Ind AS financial statements is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the auditors of the erstwhile subsidiary company referred to in the Other Matters paragraph above 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 Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) Because of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors none of the directors is disqualified as on 31st March, 2018 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 its aforesaid erstwhile subsidiary company which is a company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS 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 are no amounts that are required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration No: 008072S

Bhavani Balasubramanian
Partner
Membership No: 22156

Place : Chennai
Date : May 11, 2018

Annexure "A" to the Independent Auditors' Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of TVS Electronics Limited ("the Company") as of 31st March, 2018and its erstwhile subsidiary company - Prime Property Holdings Limitedwhich got merged with the Company with the appointed date of 1st April 2016,in conjunction with our audit of the standalone Ind AS 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. 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 over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the auditors of erstwhile subsidiary company - Prime Property Holdings Limited in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the report of the auditorof the aforesaid erstwhile subsidiary company referred to in the Other Matters paragraph below, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the criteria for internal financial control over financial reporting 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to aforesaid erstwhile subsidiary company, a Company incorporated in India, is based on the corresponding report of the auditors of the erstwhile subsidiary company.

Our opinion is not modified in respect of this matter.

For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration No: 008072S

Bhavani Balasubramanian
Partner
Membership No: 22156

Place : Chennai
Date : May 11, 2018

(Referred to in paragraph (2) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Our reporting on the Order includes that relating to erstwhile subsidiary company- Prime Property Holdings Limited, a Company incorporated in India, which got merged with the Company with the appointed date of 1st April 2016, and which has been audited by other auditor and our report in respect of this entity is based solely on the report of the said auditor, to the extent considered applicable for reporting under the Order in case of the standalone financial statements.

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the property plant and equipment.

(b) Some of the property plant and equipment were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the property plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Immovable properties of Land and buildings whose title deeds have been pledged with banks as security for term loans are held in the name of the Company based on the Mortgage deed executed between the bank and the Company for which confirmations have been obtained from the bankers.

(ii) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of machinery and mechanical appliances. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub- section(1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax,Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, ,Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Excise Duty and Provident Fundwhich have not been deposited as on 31st March 2018 on account of disputes are given below:

Name of Statue	Nature of Dues	Forum where Dispute is Pending	Period to which amount relates	Amount Unpaid (₹ in Lakhs)
Income Tax Act, 1961	Income Tax dues	Income Tax Appellate Tribunal, Income Tax officer	A.Y 2005-06 to 2018-19	47 (net of ₹ 50 deposited)
Central Excise Act, 1944	Excise Duty	Customs, Excise and Service Tax Apellate Tribunal, Chennai	2005-06	13
Central Sales Tax/Value added tax of various states	Sales tax dues	Apellate authorities of various states	2003-04 to 2014-15	49 (Net of ₹ 4 deposited)

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans to banks. The Company has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has not provided / paid any managerial remuneration during the year. Hence the provisions of section 197 read with Schedule V to the Companies Act, 2013 is not applicable.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016, is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors/ directors of holding, subsidiary company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

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

For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration No: 008072S

Bhavani Balasubramanian
Partner
Membership No: 22156

Place : Chennai
Date : May 11, 2018

Balance Sheet as at 31st March, 2018

₹ in Lakhs

	Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
A.	ASSETS				
	Non-Current Assets				
	(a) Property, plant and equipment	2	906	1,289	1,714
	(b) Capital Work in Progress	2	11	–	2
	(c) Intangible Assets	3	1,881	1,926	1,934
	(d) Financial Assets				
	(i) Investments				
	a) Investments in subsidiaries	4	378	275	225
	b) Other Investments	5	145	467	742
	(ii) Other financial assets	6	215	190	329
	(e) Deferred Tax Assets (Net)	7	171	434	555
	(f) Non Current Tax Assets (Net)	13	445	694	596
	(g) Other Non Current Assets	8	2,704	2,878	2,810
	Total non-current assets		6,856	8,153	8,907
	Current Assets				
	(a) Inventories	9	48,521	15,311	4,083
	(b) Financial Assets				
	(i) Trade Receivables	10	40,033	12,667	2,889
	(ii) Cash and Cash Equivalents	11	3,225	1,333	602
	(iii) Bank balances other than (ii) above	12	724	–	–
	(iv) Other Financial assets	6	634	544	328
	(c) Other Current Assets	8	3,108	334	314
	Total current assets		96,245	30,189	8,216
	TOTAL ASSETS		103,101	38,342	17,123
B	EQUITY AND LIABILITIES				
	Equity				
	(a) Equity Share Capital	14	1,861	1,861	1,855
	(b) Other Equity	15	6,496	4,925	4,237
	Total equity		8,357	6,786	6,092
	Liabilities				
	Non-Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	16	–	188	438
	(b) Provisions	17	294	252	182
	(c) Other non-current liabilities	18	32	27	43
	Total non-current liabilities		326	467	663
	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	19	329	1,949	2,648
	(ii) Trade Payables	20	92,948	27,977	7,119
	(iii) Other financial Liabilities	21	272	395	194
	(b) Provisions	17	545	352	247
	(c) Other Current Liabilities	18	324	416	160
	Total current liabilities		94,418	31,089	10,368
	Total Liabilities		94,744	31,556	11,031
	TOTAL EQUITY AND LIABILITIES		103,101	38,342	17,123

The accompanying notes are an integral part of these finanical statements

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

BHAVANI BALASUBRAMANIAN
Partner

GOPAL SRINIVASAN
Chairman

S. NAGALAKSHMI
Company Secretary

PRAKASH KATAMA
Chief Executive Officer

KARTHI CHANDRAMOULI
Vice President - Finance & CFO

Chennai
May 11, 2018

Statement of Profit and Loss for the Year ended 31st March, 2018

₹ in Lakhs

	Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
I.	**Revenue from Operations**	22	417,798	252,316
II.	**Other income**	23	220	307
III.	**Total Revenue (I + II)**		418,018	252,623
IV.	**Expenses:**			
	Cost of materials consumed	24	10,461	10,038
	Purchases of Stock-in-Trade	25	427,682	241,163
	Changes in inventories of finished goods & stock-in-trade	26	(32,995)	(10,914)
	Excise duty on sale of goods		144	399
	Employee benefits expense	27	3,178	3,100
	Finance costs	28	142	281
	Depreciation and Amortization expense	29	446	593
	Other Expenses	30	6,884	7,090
	Total Expenses (IV)		415,942	251,750
V.	**Profit before tax & Exceptional Items (III - IV)**		2,076	873
VI.	Exceptional items (Refer note 35(v))		369	–
VII.	**Profit before tax (V + VI)**		2,445	873
VIII.	Tax Expense:			
	(1) Current tax		550	–
	(2) Deferred tax	7	271	278
	(3) Tax relating to earlier years		–	(38)
			821	240
XI.	**Profit for the year (VII - VIII)**		1,624	633
	Other Comprehensive Income			
	A. i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the defined benefit plans		(34)	(44)
	b) Equity instruments through other comprehensive income		–	(4)
			(34)	(48)
	ii) Income tax relating to items that will not be reclassfied to profit or loss		12	16
X.	Total other Comprehensive Income [A (i-ii)]		(22)	(32)
XI.	Total Comprehensive Income (IX + X)		1,602	601
XII.	Earnings per equity share (Nominal value per share ₹ 10)			
	(a) Basic	31	8.73	3.40
	(b) Diluted	31	8.63	3.38

The accompanying notes are an integral part of these finanical statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

BHAVANI BALASUBRAMANIAN
Partner

Chennai
May 11, 2018

For and on behalf of the Board of Directors

GOPAL SRINIVASAN
Chairman

S. NAGALAKSHMI
Company Secretary

PRAKASH KATAMA
Chief Executive Officer

KARTHI CHANDRAMOULI
Vice President - Finance & CFO

Statement of Changes in Equity for the period ended 31 March 2018

(in Indian Rupees lakhs, unless otherwise stated)

Particulars	Share Capital	Securities premium	Capital Reserve	Reserves and Surplus				Items of other comprehensive income		Total
				General Reserve	ESOP Reserve	Investment Subsidy	Retained Earnings	Equity Instruments through other Comprehensive Income	Acturial Gain / (Loss)	
Balance at April 1, 2016 (as previously reported)	1,855	1,436	61	294	51	15	629	-	-	4,341
Arising on Merger of Prime Property Holdings Limited	–	–	–	–	–		843	(6)	–	837
Changes in accounting policy	–	–	–	–	38	–	876	–	–	914
Restated Balance at April 1, 2016	1,855	1,436	61	294	89	15	2,348	(6)	–	6,092
Movement during 2016–17										
Profit for the year	–	–	–	–	–	–	633	–	–	633
Share Capital	6	–	–	–	–	–	–	–	–	6
Recognition of Share based payments	–	–	–	–	87	–	–	–	–	87
Other comprehensive income for the year, net of income tax	–	–	–	–	–	–	–	(4)	(28)	(32)
Amount transferred within Reserves	–	56	–	15	(56)	(15)	–	–	–	–
Balance at March 31, 2017	1,861	1,492	61	309	120	–	2,981	(10)	(28)	6,786
Movement during 2017–18										–
Profit for the year	–	–	–	–	–	–	1,624	–	–	1,624
Recognition of share based payments	–	–	–	–	81	–	–	–	–	81
Other comprehensive income for the year, net of income tax	–	–	–	–	–	–	–	–	(22)	(22)
Amount transferred within Reserves	–	–	–	–	–	–	–	–	–	–
Payment of dividends (Including taxes)	–	–	–	–	–	–	(112)	–	–	(112)
Balance at March 31, 2018	1,861	1,492	61	309	201	–	4,493	(10)	(50)	8,357

The accompanying notes are an integral part of these finanical statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

BHAVANI BALASUBRAMANIAN
Partner

Chennai
May 11, 2018

For and on behalf of the Board of Directors

GOPAL SRINIVASAN
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Company Secretary

PRAKASH KATAMA
Chief Executive Officer

KARTHI CHANDRAMOULI
Vice President - Finance & CFO

Statement of Cash Flow

₹ in Lakhs

		For the Year ended March 31, 2018		For theYear ended March 31, 2017	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net profit before tax		2,445		873
	Adjustment for :				
	Depreciation and Amortisation	446		593	
	Finance costs	142		281	
	Provision for impairment in value of Investments in subsidiary	72		–	
	(Profit) / Loss on sale of Property, Plant and Equipment	(610)		63	
	Net (Gain) / Loss arising on FVTPL Transaction	(54)		119	
	Profit on Sale of Investment	(1)		(109)	
	Interest Income	(121)		(66)	
	Employee stock option expense	81		87	
	Bad debts written off and provision for doubtful debts	27		35	
	Share of cost for Investment in TVS Shriram Growth Fund 1A	115		73	
	Loss on Property, Plant and Equipment sold / scrapped	40	137	30	1,106
	Operating Profit before Working Capital changes		2,582		1,979
	Changes in working capital				
	Adjustments for (increase) / decrease in Operating Assets				
	Trade and other receivables	(27,392)		(9,814)	
	Inventories	(33,210)		(11,228)	
	Bank balances considered as other than cash and cash equivalent	(724)		–	
	Other Assets	(2,507)		(89)	
	Other Financial Assets	(90)		(78)	
	Adjustments for increase / (decrease) in Operating Liabilities				
	Trade payable	64,972		20,858	
	Other Liabilties	148		415	
	Other Financial Liabilties	(106)		218	
			1,091		282
	Cash generated from operations		3,673		2,261
	Direct taxes paid net of refund		(394)		(229)
	Net cash flow from operating activities		3,279		2,032
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property, Plant and Equipments including capital advances	(345)		(294)	
	Proceeds from sale of Property, Plant and Equipments	792		47	
	Purchase of investments	322		166	
	Investments in subsidiary companies	(175)		(50)	
	Interest received	96		66	
	Net cash flow from / (used in) investing activities		690		(65)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from issue of equity shares	–		6	
	Repayment of borrowings	(188)		(250)	
	Net decrease in short term borrowings	(1,620)		(699)	
	Finance costs	(157)		(293)	
	Dividends paid Including Dividend Tax	(112)		–	
	Net cash flow used in financing activities		(2,077)		(1,236)
	Net (decrease) / increase in cash and cash equivalents (A+B+C)		1,892		731
	Reconciliation				
	Cash and cash equivalents as at beginning of the Year		1,333		602
	Cash and cash equivalents as at end of the Year		3,225		1,333
	Net (decrease) / increase in cash and cash equivalents		1,892		731

The accompanying notes are an integral part of these finanical statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

BHAVANI BALASUBRAMANIAN
Partner

Chennai
May 11, 2018

For and on behalf of the Board of Directors

GOPAL SRINIVASAN
Chairman

S. NAGALAKSHMI
Company Secretary

PRAKASH KATAMA
Chief Executive Officer

KARTHI CHANDRAMOULI
Vice President - Finance & CFO

1. NOTES FORMING PART OF THE FINANCIAL STATEMENTS

a) Brief description of the Company

TVS Electronics Limited ('the Company') is a public limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at "Jayalakshmi Estates", 29, Haddows Road, Nungambakkam, Chennai - 600006, Tamil Nadu, India.

The Company manufactures and sells Point of sale devices, Printers & Keyboards besides providing service for extensive product lines across various brands via various delivery models like exclusive service centers, multi brand service centers, Onsite support, repair centers and factories. The company is also into 'Distribution Services' though e-commerce.

b) SIGNIFICANT ACCOUNTING POLICIES

1) Statement of compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015. Up to the year ended March 31, 2017, the company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Refer Note 1.20 for the details of first-time adoption exemptions availed by the Company.

2) Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below."Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3) Critical accounting judgements and key sources of estimation and certainity

a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, future results could differ from these estimates and the differences between actual results and estimates are recognised in the period in which results are known / materialised.

Estimates and underlying assumptions are reviewed on an ongoing basis and any revision to accounting estimates is recognised prospectively in the current and future period.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

b) Significant Estimates and judgements

The areas involving critical estimates or judgments are:

i) Fair valuation measurement & valuation process

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

ii) Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

iii) Useful life of Property, Plant and Equipment & Intangible assets

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

c) Control over Benani Foods Private Limited

Benani Foods Private Limited is considered as a subsidiary of the Company, even though the company has only a 41% ownership (March 2017 - 34%; March 2016 - 30%) interest. The directors of the Company assessed whether the Company has control over Benani Foods Private Limited based on whether the Company has the practical ability to direct the relavant activities of Benani Foods Private Limited. In making the judgement, the directors considered the Company's absolute size of holding in Benani Foods Private Limited and other relative size of and dispersion of the share holdings owned by the other shareholders. After assessment, the directors concluded that the Company has a sufficiently dominant voting interest to direct the relevant activities of Benani Foods Private Limited and therefore the Company has Control over Benani Foods Private Limited.

4) **Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates and goods and service tax.

i. Sale of Products

Revenue from sale of products is recognised, when significant risks and rewards of ownership pass to the dealer / customer, as per terms of contract and it is probable that the economic benefits associated with the transaction will flow to the Company. Revenue from Distribution services is recognised on delivery of goods to customers.

ii. Rendering of services

Revenue from Services is recognised in the accounting period in which the services are rendered.

iii. Dividend & Interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (Provided it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably)

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that assets net carrying amount on initial recognition.

5) **Property, Plant and Equipment**

Land and building held for use in the production or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Free hold land is not depreciated.""Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. 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 estimate useful life adopted by the company are as follows:

Asset	Useful life
Building	1 to 30 Years
Plant & Machinery	1 to 15 Years
Furniture & Fittings	1 to 10 Years
Office Equipments (including computers & servers)	1 to 6 Years
Vehicles	1 to 10 Years
Leasehold improvements	over primary period of lease

Capital work-in-progress: Projects under which plant, property and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

6) **Intangible assets**

a. Intangible assets acquired separately
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

b. Derecognition of intangible assets
An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognized.

c. Useful lives of intangible assets
Estimated useful lives of the intangible assets are as follows:

Intangible asset	Useful life
Computer softwares	2 years
Business Rights	Indefinite

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1st April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

7) **Impairment of Tangible and Intangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible 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). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. 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 at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised 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 recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

8) **Inventories**
Inventories are stated at lower of cost or net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in normal course of business in brining such inventory to its present location and condition and includes where applicable, appropriate overheads based on the normal level of activity.

Net realisable value is the estimated selling price less estimated cost for completion of sale.

Obsolete, slow moving and defective inventories are identified from time to time and where necessary, a provision is made for such inventories.

9) **Employee benefits**

(i) **Short term Employee Benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

(ii) **Retirement benefit costs and termination benefits**

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit 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 annual reporting period.

Defined benefit costs are categorized 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 company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

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.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet 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 is not reclassified to profit or loss.

Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet 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.

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the Statement of Profit and Loss each year.

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 recognizes any related restructuring costs.

Gratuity for employees is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the Statement of Profit and Loss. The liability as at the Balance Sheet date is provided for based on the actuarial valuation carried out as at the end of the year.

10) **Taxes on income**

Tax expense comprises of current and deferred taxes.

Current tax:

The current tax payable is based on the taxable profit for the year. Taxable profit differs from Profit before tax as reported in the statement of profit and loss account because of items of income or expenditure that are taxable or deductible in other years and items that are never taxable or deductible. Company computes current tax using tax rate that have been enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognised 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 recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it 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 recognised if the temporary difference arises 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.

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 liabilities and assets 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.

Current and deferred tax for the year:
Current and deferred tax are recognised in profit or loss account, except when they relate to items that are recognised in other comprehensive income or directly in equity respectively

11) **Provisions and contingent liabilities**

(i) **Provision:**

A provision is recorded when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

The amount recognised as provision is the best estimate of the consideration required to settle the present obligation at the end of reporting period, taking into account the risks and uncertainities surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is 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 recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provision for expected cost of warranty obligations under the local sale of goods legislation are recognised at the date of sale of relevant products, at management's best estimate of expenditure required to settle the company's obligation.

(ii) **Contingent liabilities:**

Wherever there is 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 entity or a 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 the obligation cannot be measured with sufficient reliability.

12) **Operating Segment**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

"Unallocated Corporate Expenses" include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole and are not attributable to segments.

13) **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

14) **Share-based payment arrangements**

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 33.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve."Under the previous GAAP, share based payment costs were accrued on a intrinsic value method. Upon transition to Ind AS, the company has availed the exemption to apply the fair value to only unvested options.

15) **Financial instruments**

Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments.

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 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.

15.1 **Financial assets**

Initial recognition and measurement:

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis.

Subsequent measurement:

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

a. **Classification of financial assets**

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

Investment in subsidiaries / associates are accounted at cost.

All other financial assets are subsequently measured at fair value.

For the impairment policy on financial assets measured at amortized cost, refer Note 1(15)(d)

b. **Investment in equity instruments at FVTOCI**

On initial recognition, company can make an irrevocable election(on a instrument by instrument basis) to present the subsequent change in fair value in other comprehensive income pertaining to investment in equity instruments. This election is not permitted if the equity instrument is held for trading. These elected investment are initially measured at fair value plus transaction cost. Subsequently, they are measured at fair value with gains and losses arising from change in fair value recognised in other comprehensive income and accumlated in 'Reserve for equity instruments through other comprehensive income'. The cumulative gain / (loss) is not reclassified to profit or loss on disposal of investment.

A financial asset is held for trading if :

- it has been acquired principally for the purpose of selling it in near term; or

- on initial recognition it is part of portfolio of identified financial instrument that the company manages together and has recent actual pattern of short term profit taking or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

The company has equity investments in one entity which are not held for trading nor a subsidiary. The company has elected FVTOCI irrevocable option for this investments. Fair value is determined in the manner described in note 1(b)(2).

Dividends on these investment in equity instrument, if any will be recognised in profit or loss when the company's right to receive the dividend is established, it is probable that economic benefit associated with the dividend will flow to the entity, the dividend does not represent a recover of part of cost of investment and the amount of dividend can be measured reliably.

c. **Financial assets at fair value through profit or loss (FVTPL)**

Financial assets that do not meet the amortised cost criteria or Fair value through other comprehensive income (FVTOCI) criteria are measured at FVTPL

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the “Other income” line item.

d. **Impairment of financial assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is 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 (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information or case to case basis.

e. **Derecognition of financial assets**

The Company derecognises a financial asset 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.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

f. **Foreign exchange gains and losses**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

15.2Financial liabilities and equity instruments

a. **Classification as debt or equity**

Debt and equity instruments issued by the company 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.

b. **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 company 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.

c. **Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

c.1. Financial liabilities at FVTPL

Financial liabilities are recognised at fair value through profit or loss (FVTPL) if it includes derivative liabilities.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the ‘Other income' line item.

Fair value is determined in the manner described in note 1(b)(2)

c.2. Financial liabilities measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on 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 net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

c.3. Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in ‘Other income’.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

c.4. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company’s obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

15.3Derivative financial instruments

The Company enters into forward contracts to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

16) Foreign Currency Transactions

The functional and presentation currency of the company is Indian Rupee.

In preparing the financial statements of the company, transactions in currencies other than the entity’s functional currency (foreign currencies) are recognised 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. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

17) **Operating cycle for current and non-current classification**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

18) **Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

19) **Standards issued but not yet effective**

i) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

ii) Ind AS 115, Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

(iii) Standards yet to be notified: Ind AS 116 - "Leases"

On 18 July 2017, the Accounting Standards Board (ASB) of the Institute of Chartered Accountants of India (ICAI) issued an Exposure Draft (ED) of Ind AS 116, Leases. Ind AS 116 is largely converged with IFRS 16. When notified, Ind AS 116 will replace Ind AS 17 Leases.

Ind AS 116 sets out a comprehensive model for identification of lease arrangements and their treatment in the financial statements of the lessor and lessee. Ind AS 116 applies a control model for the identification of leases, distinguishing between leases and service contracts on the basis of whether there is an identified asset controlled by the customer. The Company is evaluating the requirement of the standard and the effect on the financial statements upon notification.

20) **First-time adoption – mandatory exceptions, optional exemptions**

a. **Overall principle**

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

b. **Derecognition of financial assets and financial liabilities**

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date)."

c. **Classification of debt instruments**

The Company has determined the classification of debt instruments in terms of whether they meet the amortized cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

d. **Impairment of financial assets**

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101. The Company has determined the classification of debt instruments in terms of whether they meet the amortized cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

e. **Deemed cost for property, plant and equipment**
The Company has elected to continue with the carrying value of all of its plant and equipment and investment property recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

f. **Determining whether an arrangement contains a lease**
The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

g. **Equity investments at FVTOCI**
The Company has designated investment in equity shares as at FVTOCI on the basis of facts and circumstances that existed at the transition date.

h. **Unvested Employee Stock Options at Fair value**
The Company has elected the option to account only unvested options at the transition date under fair value method.

i. **Past business combinations**
The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2016. Consequently,

- The Company has kept the same classification for the past business combinations as in its previous GAAP financial statements;
- The Company has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquiree;
- The Company has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- The effects of the above adjustments have been given to the measurement of non-controlling interests and deferred tax.

₹ in Lakhs

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 2			
Property, Plant and Equipment and Capital Work-in-progress			
Carrying amounts of:			
Freehold land	**24**	24	24
Buildings	**310**	522	647
Plant and equipment	**316**	447	655
Furniture and Fixtures	**78**	98	142
Office Equipments	**144**	174	200
Vehicles	**34**	24	46
	906	1,289	1,714
Capital Work-in-progress	**11**	–	2

	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipments (Including computers & Servers)	Vehicles	Total
Cost of Assets							
Gross carrying value at 01-Apr-2016	24	1,262	2,667	314	859	58	**5,184**
Additions	–	57	61	30	104	26	**278**
Disposals	–	(167)	(642)	(28)	(79)	(57)	**(973)**
Balance at 31-Mar-2017	**24**	**1,152**	**2,086**	**316**	**884**	**27**	**4,489**
Additions	–	25	49	32	81	37	**224**
Disposals	–	(193)	(340)	(56)	(53)	(26)	**(668)**
Balance at 31-Mar-2018	**24**	**984**	**1,795**	**292**	**912**	**38**	**4,045**

	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipments (Including computers & Servers)	Vehicles	Total
Accumulated depreciation and impairment							
Balance at 01-Apr-2016	–	615	2,012	172	659	12	**3,470**
Eliminated on disposals	–	(130)	(603)	(15)	(74)	(14)	**(836)**
Depreciation expense	–	145	230	61	125	5	**566**
Balance at 31-Mar-2017	**–**	**630**	**1,639**	**218**	**710**	**3**	**3,200**
Eliminated on disposals	–	(61)	(280)	(51)	(51)	(3)	**(446)**
Depreciation expense	–	105	120	47	109	4	**385**
Balance at 31-Mar-2018	**–**	**674**	**1,479**	**214**	**768**	**4**	**3,139**
Carrying amount as on April 1, 2016	24	647	655	142	200	46	**1,714**
Carrying amount as on March 31, 2017	24	522	447	98	174	24	**1,289**
Carrying amount as on March 31, 2018	24	310	316	78	144	34	**906**

Note:

1. Details of assets offered as security is provided in Notes 16 and 19.

₹ in Lakhs

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 3			
Intangible Assets			
Carrying amounts of:			
Intellectual Property Rights	–	40	40
Business Rights	1,868	1,868	1,868
Software and Licenses	13	18	26
Total	1,881	1,926	1,934

Particulars	Intellectual Property Rights	Business Rights (refer note 1)	Software and Licences
Cost of Assets			
Gross value as on 01-Apr-2016	800	3,263	202
Additions	–	–	19
Disposals	–	–	(7)
Balance at 31-Mar-2017	800	3,263	214
Additions	–	–	16
Disposals	–	–	–
Balance at 31-Mar-2018	800	3,263	230

Particulars	Intellectual Property Rights	Business Rights (refer note 1)	Software and Licences
Accumulated depreciation and impairment			
Balance at 01-Apr-2016	760	1,395	176
Eliminated on disposals	–	–	(7)
Depreciation expense	–	–	27
Balance at 31-Mar-2017	760	1,395	196
Eliminated on disposals	–		
Depreciation expense	40	–	21
Balance at 31-Mar-2018	800	1,395	217
Carrying amount as on April 1, 2016	40	1,868	26
Carrying amount as on March 31, 2017	40	1,868	18
Carrying amount as on March 31, 2018	–	1,868	13

Note:

1) Business Rights relating to servicetec business, with carrying value of ₹ 1,868 Lakhs has been considered as having an indefinite useful life as there are no technical, technological obsolence or limitations under the contract. This Business Right has been tested for impairment by obtaining a valuation from an independent valuer based on the Discounted Cashflow method. Based on the valuation there was no impairment required to be recorded on the reporting date.
2) Amortization expense of intangible asset have been included under 'Depreciation & Amortization' expense in statement of profit and loss account.

₹ in Lakhs

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 4			
Investments in Subsidiaries			
I. Unquoted Investments			
(a) Investments in Preference shares at Cost			
Nil (2017-5, 165; 2016 - 4,226) Cumulative Compulsorily Convertible. Participating Preference shares of ₹10 each fully paid up in Benani Foods Private Limited (Refer Note no 4.1 below)"	–	275	225
(b) Investments in equity shares at Cost			
9,610 (2017-Nil; 2016 - Nil) Equity shares of shares of ₹ 10 each fully paid up in Benani Foods Private Limited (Refer Note no 4.1 below)	450	–	–
Less: Provision for Impairment	(72)		
Total Unquoted Investments	378	275	225
Total Non-Current Investments	378	275	225

4.1. Investment in Benani Foods Private Limited has been considered as a subsidiary by the virtue of control by the Company as explained in Ind AS 110 (refer note 1(3)(c))

4.2. During the year ended March 2018, the Company has converted 7,197 preference shares of ₹10/- each aggregating to ₹ 355 Lakhs in to 7,197 equity shares of ₹ 10 each of Benani Foods Private Limited. Further during the year, the company has invested in 2,413 equity shares of ₹ 10 each of Benani Foods Private Limited agrregating to ₹ 95 lakhs.

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 5			
Other Investments			
I. Unquoted Investments			
(a) Investments in Equity Instruments at FVTOCI			
6,00,000 (2017 - 6,00,000; 2016 - 6,00,000) shares of ₹ 10 each fully paid up TVS Training and Services Limited.	48	48	52
Other Investments			
(b) Investments in Mutual Funds at FVTPL			
8,603.03 (2017 - 48,581.52; 2016 - 56,651.94) units of Capital contribution to TVS Shriram Growth Fund 1A	97	419	690
Total Unquoted Investments	145	467	742
Total Other Investments	145	467	742
Current	–	–	–
Non-current	145	467	742

₹ in Lakhs

Particulars	Non-current			Current		
	31-Mar-2018	31-Mar-2017	01-Apr-2016	31-Mar-2018	31-Mar-2017	01-Apr-2016
Note 6						
Other Financial Assets						
At Amortised Cost						
(a) Security Deposits	215	190	298	121	98	52
(b) Interest receivable	–	–	–	25	–	–
(c) Unbilled revenue	–	–	–	478	387	256
(d) Insurance claims	–	–	–	–	48	6
(e) Others	–	–	31	10	11	14
	215	190	329	634	544	328

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 7			
Deferred tax balances			
Deferred tax assets	421	763	929
Deferred tax liabilities	(250)	(329)	(374)
	171	434	555

2017-18	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax (liabilities) / asset in relation to				
Property plant and equipment	(329)	79	–	(250)
Provision for Doubtful Debts and others	18	5	–	23
Financial assets at FVTPL	27	(25)	–	2
Financial assets at FVTOCI	3	–	–	3
Defined benefit obligation, Provision for compensated absences	15	12	12	39
Total	(266)	71	12	(183)
Tax losses	342	(342)	–	–
Net Deferred Tax Assets/(Liability)	76	(271)	12	(183)
MAT Credit entitlement *	358	–	–	354
Net Deferred Tax Asset	434	(275)	12	171

* MAT Credit availed during the year ₹ 4 lakhs

₹ in Lakhs

2016-17	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax (liabilities) / asset in relation to				
Property plant and equipment	(369)	40	–	(329)
Provision for Doubtful Debts and others	(5)	23	–	18
Financial assets at FVTPL	10	17	–	27
Financial assets at FVTOCI	2	–	1	3
Defined benefit obligation, Provision for compensated absences	–	–	15	15
Total	(362)	80	16	(266)
Tax losses	699	(357)	–	342
Net Deferred Tax Asset / (Liability)	337	(277)	16	76
MAT Credit entitlement	218	140	–	358
Net Deferred Tax Asset	555	(137)	16	434

Particulars	Non-current			Current		
	31-Mar-2018	31-Mar-2017	01-Apr-2016	31-Mar-2018	31-Mar-2017	01-Apr-2016
Note 8						
Other Assets						
(a) Security Deposit*	2,509	2,523	2,508	–	–	–
(b) Capital Advance	107	14	15	–	–	–
(c) Share Application money pending allotment	34	80	–	–	–	–
(d) Lease premium on Land	–	191	193	–	–	–
(e) Balance with Statutory authorities	41	43	54	3,010	221	259
(f) Prepaid expenses	13	27	40	98	113	55
	2,704	2,878	2,810	3,108	334	314

* Includes an amount of INR 2,500 lakhs paid to TVS Investments Private Limited as Indemnity Deposit. (Refer note 36)

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 9			
Inventories			
(At lower of cost and net realisable value)			
(a) Raw materials (Refer note d)	1,070	855	541
(b) Work-in-process	–	–	–
(c) Finished goods	342	289	271
(d) Stock-in-trade (goods acquired for trading)	47,109	14,167	3,271
	48,521	15,311	4,083

Note: a) The cost of inventories recognised as an expense during the year is disclosed in Note 24

b) Cost of inventory recognised as an expense include ₹ 104 Lakhs (during 2016-17 ₹ 91 Lakhs) on account of provision for slow moving / non moving inventory.

c) For charge on inventory refer note 19

d) Includes goods in transit of ₹ 364 lakhs (31st March 2017 - ₹ 246 lakhs; 1st April 2016 - ₹ 217 lakhs).

₹ in Lakhs

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 10			
Trade Receivables			
Secured, considered good	–	–	–
Unsecured, considered good	40,033	12,667	2,889
Unsecured, considered doubtful	73	56	37
Total Receivables	40,106	12,723	2,926
Allowance for doubtful debts	(73)	(56)	(37)
	40,033	12,667	2,889
Current	40,033	12,667	2,889
Non-current	–	–	–
The average credit period on sales of goods ranges from 30 to 45 days. No interest is charged on trade receivables up to the due date. The table below depicts the ageing of trade receivables			
Age of receivables			
0-180 days	39,790	12,631	2,775
181-365 days	265	39	57
More than 365 days	51	53	94
	40,106	12,723	2,926

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes in to account historical credit loss experience and adjusted for forward - looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates are given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected credit loss%
0-180 days past due	–
181 - 365 days past due	50%
more than 365 days past due	100%

The ageing based provision matrix is not applied on the receivables relating to Distribution Business based on the historical credit loss experience with the customers of this business.

Movement in expected credit loss allowance	Year ended March 31, 2018	Year ended March 31, 2017
Balance at beginning of the year	56	37
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	17	19
Balance at end of the year	73	56

Note 11

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

₹ in Lakhs

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
(a) Balances with banks			
(i) In Current account	517	1,210	378
(ii) In Deposit account	2,685	100	100
(b) Cash on hand	23	7	8
(c) Cheques, drafts on hand	–	16	116
	3,225	1,333	602

Note 12

Other bank balances

(a) Balances with banks in earmarked accounts			
- In Unpaid Dividend account	4	–	–
- In deposits with maturity above three months	720	–	–
	724	–	–

Note 13

Non Current tax asset

Advance tax and TDS (net of provision)	445	694	596
Total	445	694	596

Note 14

Equity Share Capital

AUTHORISED :			
Equity Shares: 2,50,00,000 Equity Shares of ₹10 each (2017 - 2,50,00,000; 2016 - 2,50,00,000)	2,500	2,500	2,500
ISSUED, SUBSCRIBED AND FULLY PAID UP			
1,86,12,818 Equity Shares of ₹10 each (2017 - 1,86,12,818 ; 2016 - 1,85,52,818)	1,861	1,861	1,855
	1,861	1,861	1,855

14.1 Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period.

Reconciliation	2017-18		2016-17	
	No. of Shares	₹ Lakhs	No. of Shares	₹ Lakhs
Equity Shares of Rs.10 each fully paid up				
At the beginning of the year	18,612,818	1,861	18,552,818	1,855
Allotment of shares on exercise of Employee Stock Option (refer note 33)	–	–	60,000	6
At the end of the year	18,612,818	1,861	18,612,818	1,861

14.2 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company:

Name of the Share holder	No of shares held as at					
	March 31, 2018		March 31, 2017		April 01, 2016	
	Nos.	%	Nos.	%	Nos.	%
TVS Investments Private Limited	11,160,093	59.96	11,160,093	59.96	11,160,093	60.15

14.3Terms attached to Equity Shares:

The Company has one class of equity share having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

Share options granted under the Company's employee share option plan carry no rights to dividends and no voting rights.

14.4Details of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Nil.

₹ in Lakhs

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 15			
Other Equity			
Capital reserve	61	61	61
Securities Premium reserve	1,492	1,492	1,436
General Reserve	309	309	294
Share options outstanding reserve	201	120	89
Investment subsidy	–	–	15
Reserve for equity instruments through Other Comprehensive income	(10)	(10)	(6)
Actuarial movement through other comprehensive income (net of tax)	(50)	(28)	-
Retained Earnings	4,493	2,981	1,511
Retained Earnings (as per scheme of arrangement of Merger Refer note 32)	–	–	837
	6,496	4,925	4,237

Reserves and Surplus	Year ended March 31, 2018	Year ended March 31, 2017
(a) Capital reserve	61	61
(b) Securities Premium Account		
Opening balance	1,492	1,436
Add :Addition during the year	–	56
Less : Utilised during the year	–	–
Closing balance	1,492	1,492

₹ in Lakhs

Reserves and Surplus	Year ended March 31, 2018	Year ended March 31, 2017
(c) General reserve		
Opening balance	309	294
Add :Addition during the year	–	15
Closing balance	309	309
The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss except to the extent permitted as per Companies Act,2013 and rules made thereunder.		
(d) Share Options Outstanding Reserve		
Opening balance	120	89
Add : Addition during the year	81	87
Less: Transferred to Securities premium account	–	(56)
Closing balance	201	120
The above reserve relates to share options granted by the Company to its employees under its employee share option plan. Further information about share based payments to employees is set out in note 33.		
(e) Investment Subsidy		
Opening balance	–	15
Less : Utilised /reversed during the year	–	(15)
Closing balance	–	–
(f) Reserve for equity instruments through Other Comprehensive income		
Opening Balance	(10)	(6)
Additions/(Deletions)	–	(4)
Closing	(10)	(10)
This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed of.		
(g) Actuarial movement through Other Comprehensive Income		
Opening Balance	(28)	–
Additions/(Deletions)	(22)	(28)
Closing	(50)	(28)
(h) Retained Earnings		
Opening Balance	2,981	2,348
Profit for the year	1,624	633
	4,605	2,981
Less : Appropriations		
Dividend on Equity Shares (including dividend distribution tax)	112	–
Closing Balance	4,493	2,981
The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. thus, the amounts reported above are not distributable in entirety.		
The Board of Directors at their meeting on May 11, 2018 have recommended final dividend of ₹ 1.50 per Equity share of ₹ 10/- each for the financial year ended March 31, 2018 which is subject to the approval of the shareholders at the ensuing Annual General Meeting.		
Total Other Equity	6,496	4,925

₹ in Lakhs

Note 16

Borrowings

LONG TERM BORROWING	Non-Current Portion			Current Maturities		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured - at amortised cost						
i) Term Loans						
- from banks	–	188	438	–	250	62
Sub Total	–	188	438	–	250	62
Total	–	188	438	–	250	62

Summary of borrowing arrangements

Particulars	March 31, 2018	March 31, 2017	April 01, 2016	Rate of interest	Security	Terms of repayment
a) State Bank of India	–	438	500	10.8%	Secured by first *pari passu* hypothecation charge on entire fixed assets of the company excluding intangible assets	Repaid as on March 31, 2018.

Breach of Loan agreement

There is no breach of loan agreement

Note 17

Provisions

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
a. Provision for compensated absences	71	71	57	35	7	17
b. Provision for Warranty	223	181	125	510	345	230
	294	252	182	545	352	247

The provision for employee benefits includes annual leave and vested long service leave entitlements accrued and compensation claims made by employees.

Note 18

Other liabilities

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
a. Statutory remittances	–	–	–	224	361	118
b. Provision for gratuity	–	–	–	47	20	–
c. Unexpired Annual Maintenance Contracts	32	27	43	53	35	42
	32	27	43	324	416	160

₹ in Lakhs

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 19			
Short Term Borrowings			
Secured - at amortised cost			
a. Loan repayable on demand			
- from banks (refer note a below)	150	1,000	2,000
b. Others			
- Buyer's credit	179	949	648
	329	1,949	2,648

a. Working Capital facilities from Consortium Banks are secured by hypothecation of raw materials, components, work in process, finished goods, book debts, stores and spares and further secured by a second charge over the immovable properties of the company on a *pari passu* basis of the consortium banks.

Particulars	Current		
	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 20			
Trade Payables			
Trade payables (refer note a)	92,699	27,750	6,984
Employee related payables	249	227	135
	92,948	27,977	7,119

Note

a) of this an amount of ₹ 52 lakhs (2017 - 83 Lakhs; 2016 - 41 Lakhs) was due to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 which is on the basis of such parties having been identified by the management and relied upon by the auditors.

Particulars	Current		
	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 21			
Other financial liabilities			
At Amortised Cost			
(a) Current maturities of long-term debt*	–	250	61
(b) Interest accrued but not due on borrowings & acceptance	2	17	29
(c) Unclaimed dividends	4	–	–
(d) Security deposit	264	92	94
At Fair Value through profit or loss			
(i) MTM liability not designated through hedge relationship	2	36	10
	272	395	194

* Refer note 16

Notes forming part of accounts

₹ in Lakhs

Descriptions	For the Year ended 31-Mar-2018	For the Year ended 31-Mar-.2017
Note 22		
Revenue from Operations		
(a) Sale of Products (Including Excise Duty)	23,171	24,114
(b) Sale of Products - Distribution Business	3,87,512	221,942
(c) Sale of Services	6,040	6,098
(d) Sale of Services - Distribution Business	1,019	150
(e) Other operating revenues - scrap sales	56	12
Total	4,17,798	2,52,316
Note 23		
Other Income		
(a) Interest income earned on financial assets that are not designated at fair value through profit / loss		
On bank deposits (at amortised cost)	121	66
On security deposits	13	12
(b) Other gains or losses		
- Profit on sale of fixed assets	4	5
- Profit on sale of investments	1	109
- Net gain arising on financial assets measured at FVTPL	56	10
- Net gain on foreign currency transaction and translation	25	99
(c) Other non-operating income	–	6
Total	220	307
Note 24		
Cost of material consumed		
Opening stock of raw materials and components	855	541
Add: Purchases	10,676	10,352
	11,531	10,893
Less: Closing stock of raw materials and components	1,070	855
Consumption of raw material and components	10,461	10,038

Note 25

Purchase of Stock-in-Trade

Descriptions	For the Year ended 31-Mar-2018	For the Year ended 31-Mar-.2017
Purchases of Stock-in-trade	4,27,682	2,41,163
Total	4,27,682	2,41,163

₹ in Lakhs

Descriptions	For the Year ended 31-Mar-2018		For the Year ended 31-Mar-2017	
Note 26				
Changes in Inventories of finished goods, work-in-progress and stock in trade				
Opening Stock:				
Finished goods	289		271	
Stock-in-trade	14,167	14,456	3,271	3,542
Closing Stock:				
Finished goods	342		289	
Stock-in-trade	47,109	47,451	14,167	14,456
Increase in Stocks		(32,995)		(10,914)
Note 27				
Employee Benefit expense				
(a) Salaries, Wages and Bonus		2,683		2,663
(b) Contribution to Provident and Other Funds		216		173
(c) Workmen and Staff Welfare Expenses		198		177
(d) Share-based payments to employees		81		87
Total		3,178		3,100
Note 28				
Finance Costs				
(a) Interest				
On term loans		21		54
On others		99		199
(b) Other borrowing costs		22		28
Total		142		281
Other borrowing cost includes loan processing charges, guarantee charges, loan facilitation charges and other ancillary cost incurred in connection with borrowings.				
Note 29				
Depreciation and amortisation expense				
Depreciation/amortisation on				
(a) Property, plant and equipment		385		566
(b) Intangible assets		61		27
Total		446		593

₹ in Lakhs

Descriptions	For the Year ended 31-Mar-2018		For the Year ended 31-Mar-2017	
Note 30				
Other expenses				
(a) Consumption of Stores, Spares and Consumables		73		60
(b) Power and Fuel		147		163
(c) Rent		857		924
(d) Repairs and Maintenance				
- Buildings	328		338	
- Plant and Machinery	36		37	
- Others	270	634	298	673
(e) Insurance		80		137
(f) Rates and Taxes		54		134
(g) Auditors' Remuneration (refer note 35 (iii))		26		22
(h) Directors' Fees and Commission		19		21
(i) Loss on Sale & discard of Assets		51		98
(j) Travelling & conveyance		461		491
(k) Legal & consultancy		506		612
(l) Outsource staffing services		1,965		1,848
(m) Carriage outwards		486		518
(n) Corporate Social Responsibility expense		14		–
(o) Provision for doubtful debts		17		19
(p) Bad Debts / Advances written off		10		16
(q) Warranty expenses		321		241
(r) Annual Maintenance Contracts expense		69		35
(s) Authorised service provider expense		271		131
(t) Provision for impairment in value of Investments in subsidiary		72		–
(u) Miscellaneous expenses		751		947
Total		6,884		7,090
Note 31				
Earning per Share				
Basic Earnings per share		8.73		3.40
Diluted Earnings per share		8.63		3.38
31.1 Basic Earning per Share				
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.				
Profit after Taxation (₹ in Lakh)		1,624		633
Earnings used in the calculation of basic earnings per share		1,624		633
Number of equity shares of ₹ 10 each outstanding at the beginning of the year		18,612,818		18,552,818
Add : Number of shares issued pursuant exercise of Employees Stock option		–		60,000
(a) Number of equity Shares of ₹ 10 each outstanding at the end of the year		18,612,818		18,612,818
(b) Weighted Average number of Equity Shares		18,612,818		18,612,818

₹ in Lakhs

Descriptions	For the Year ended 31-Mar-2018	For the Year ended 31-Mar-2017
31.2 Diluted Earnings per share		
The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows.		
Earnings used in the calculation of basic earnings per share	1,624	633
Adjustments	–	–
Earnings used in the calculation of diluted earnings per share	1,624	633
The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:		
Weighted average number of equity shares used in the calculation of basic earnings per share	18,612,818	18,612,818
Shares deemed to be issued for no consideration in respect of - employee options	208,788	124,019
Weighted average number of equity shares used in the calculation of diluted earnings per share	18,821,606	18,736,837

Note 32

Amalgamation of Prime Property Holdings Limited with the Company

i. The Scheme of Amalgamation of Prime property Holdings Limited , an wholly owned subsidiary ("transferor company") with the Company, was sanctioned by the National Company Law Tribunal vide their order dated March 27, 2018. The appointed date for merger as per the scheme is April 01, 2016 and the scheme was made effective on March 29, 2018 on which date, the copy of the order of the tribunal sanctioning the scheme has been filed with the Registrar of Companies.

   This merger being a business combination involving entities under common control, has been accounted for under the Pooling of Interest Method which is in accordance with Ind AS 103 - Business Combinations. Accordingly,

   a. the assets and liabilities of Prime Property Holdings Limited are reflected at their carrying values.

   b. the financial information as on April 01, 2016 and the period from April 01, 2016 to March 31, 2017 have been restated to reflect the scheme of amalgamation.

ii. As per the scheme of amalgamation, an amount of ₹ 837 lakhs representing the retained earnings of the transferor company as on April 01, 2016 has been added to the retained earnings of the Company

iii. Details of assets and liabilities taken over on Amalgamation:

Particulars	**Balance as at April 1, 2016 (Amount in ₹ lakhs)**
Assets	
Non -Current Assets	
Financial Assets	
(i) Investment in subsidiaries	225
(ii) Other Investments	699
Deferred Tax Assets	12
Non -Current Tax Assets	20
Current Assets	
Financial Assets	
(i) Cash and cash equivalents	37

Particulars	Balance as at April 1, 2016 (Amount in ₹ lakhs)
Liabilities	
Current Liabilities	
Financial Liabilities	
(i) Short term borrowings	150
Other current liabilities	1

v. The transferor company is engaged in the business of acquisition of land and buildings as owners/lease holders or otherwise by itself or through promoters to construct, erect, repair or remodel, demolish or develop and maintain immoveable properties.

Note 33

Share based payments

33. 1 Employee share option plan of the Company

33.1.1 Details of the employee share option plans of the Company

Refere note 1 (14) for accounting policy on share-based payment.

The shareholders of the company had approved Employee Stock Option scheme 2011, at previous annual general meetings which will be administered by the Nomination and Remuneration committee of the Board of Directors.

Each employee share option converts into one equity share of the Company on exercise. No amount in excess of face value of the share are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following share-based payment arrangement were in existence during the current and prior years

S.No	Description	Date of grant	Number of Options granted	Expiry date	Fair value on the date of grant as per Binomial option pricing model	Exercise price
1	Details of options granted	06.05.2015	60,000	06.05.2021	96.14	10.00
		14.10.2015	150,000	31.03.2023	97.56	10.00
		14.10.2015	150,000	31.03.2025	97.01	10.00
	Total		360,000			

33.1.2 The following assumptions were used for calcuation of fair valuation of grants in accordance with Binomial model:

Particulars	Vest 1	Vest 2	Vest 3
Grant date share price	06-May-15	14-Oct-15	14-Oct-15
Exercise price (in ₹)	10.00	10.00	10.00
Expected volatility	58.2%	58.1%	60.1%
Expected life (years)	5.1	7.0	9.0
Dividend yield	0.00	0.00	0.00
Risk free interest rate	7.5%	7.7%	7.7%

The risk free interest rate are determined based on zero coupon soverign bond yield with maturity equal to expected life of the option. Volatality calculation is based on historical stock price using the standard deviation daily change in stock price. The historical period is taken into account to match the expected life of the option. Dividend yield has been arrived based on the historical trend of dividend declaration by the company as on valuation date.

33.1.3 Movements in share options during the year :

			Options (Numbers) 2017-18	Weighed Average exercise price per option ₹	Options (Numbers) 2016-17	Weighed Average exercise price per option ₹
a	Balance at the beginning of the year	Options vested and exercisable	–	–	60,000	96.14
		Options unvested	300,000	97.28	300,000	97.28
		Total	300,000	97.28	360,000	97.09
b	Options granted during the year		–	–	–	–
c	Options vested during the year		–	–	–	–
d	Options exercised during the year		–	–	60,000	96.14
e	Options lapsed/cancelled during the year		–	–	–	–
f	Options outstanding at the end of the year	Options vested and exercisable	–	–	–	–
		Options unvested	300,000	97.28	300,000	97.28
		Total (a+b-d-e)	300,000	97.28	300,000	97.28

Weighted Average remaining contractual life for option outstanding as at March 31, 2018 was 2,192 days (March 31, 2017: 2,557 days)

33.1.4. Share options exercised during the year: Nil (2017 - 60,000 options)

Note 34

First-time Ind AS adoption reconciliation

34.1 Reconciliation of total equity as at March 31, 2017 and April 01, 2016

Particulars	As at March 31, 2017 (End of last period Presented under Previous GAAP)	As at April 01 , 2016 (Date of Transition Presented under Previous GAAP)
Total Equity (shareholder's funds) under previous GAAP	5,141	4,340
Impact of amalgamation of Prime Property Holdings Limited with the Company being a common control transaction (refer note a)	793	765
Fair valuation of investments under Ind AS (refer note d)	(13)	69
Intangible asset with indefinite useful life (refer note b)	310	–
Market to Market of Forward Contracts (refer note g)	(36)	(10)
Deferred Tax on Unabsorbed losses & Minimum Alternate Tax credit entitlement	686	917
Actuarial Loss / (Gain) on Employee defined benefit plans recognised in other comprehensive income (refer note c)	(21)	–
Tax on above adjustments, net	(70)	10
Other adjustments, net	(4)	1
Total adjustment to equity	1,645	1,752
Total equity under Ind AS	6,786	6,092

₹ in Lakhs

34.2 Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars	Year ended March 31, 2017 (Latest period presented under previous GAAP)
Net Profit as per previous GAAP	716
Net profit of Prime Property Holdings Limited (Subsidiary merged) under previous GAAP	29
Total as per previous GAAP	**745**
Adjustments	
Writeback of depreciation for intangible having indefinite useful life (refer note b)	310
Mark to Market valuation of Forward contracts (refer note g)	(26)
Fair valuation of investments (refer note d)	(93)
Fair valuation of ESOP (refer note e)	(9)
Tax on above	(86)
Deferred Tax on Unabsorbed losses & Minimum Alternate Tax credit entitlement	(231)
Other adjustment, net	(9)
Total adjustments	(144)
Total comprehensive income under Ind AS	601

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under previous GAAP

34.3 Effect of Ind AS adpotion on the statement of cashflows for the year ended March 31, 2017

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	1,753	279	2,032
Net cash flow from / (used in) investing activities	15	(80)	(65)
Net cash flow used in financing activities	(1,037)	(199)	(1,236)
Net (decrease) / increase in cash and cash equivalents	731	(0)	731
Cash and cash equivalents as at April 1, 2016	602	0	602
Cash and cash equivalents as at March 31, 2017	1,333	(0)	1,333

34.4 Notes to the reconciliations

a. Amalgamation of Prime Property Holdings Limited

Prime Property Holdings Limited, a subsidiary of the Company was amalgamated with the Company with the appointed date of April 01, 2016. This amalgamation would get covered as part of the common control transactions as provided in Ind AS 103 - Business Combinations. Ind AS 103 requires that the amalgamation should be accounted as if it was there on the earliest period reported being April 01, 2016. The effect of this change is an increase in total equity as at April 01, 2016 of ₹ 765 lakh and March 31, 2017 of ₹ 793 lakh

b. Intangible asset with indefinite useful life

Business Rights having a carrying value of ₹ 1,809 lakhs as on transition date (April 01, 2016) was reassessed to be an intangible with indefinite useful life as there was no impairment, depreciation/amortisation of ₹ 310 lakhs relating to the year ended March 31, 2017 has been reversed.

c. Actuarial gains and losses

Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in the other comprehensive income under Ind AS instead of profit or loss. The actuarial loss for the year ended March 31, 2017 net of taxes were ₹ 21 lakhs.

d. Long term investments as FVTPL / FVTOCI

Under previous GAAP, long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, these financial assets have been classified as FVTPL / FVTOCI. On the date of transition to Ind AS, these financial assets have been measured at their fair value which is higher than the cost as per preivous GAAP, resulting in an decrease in carrying amount by ₹ 13 lakhs as at March 31, 2017 and increase of ₹ 69 lakhs as at April 01, 2016. The corresponding deferred taxes have also been recognised as at March 31, 2017 and April 01, 2016.

e. Share based payments in Fair value

Under previous GAAP, the cost of equity settled employee share-based payments was recognised using the intrinsic value method. This did not result in recognising any expense in profit or loss in respect of these share-based payments because the fair value of the shares on the grant date equaled the exercise price. Under Ind AS, the cost of equity-settled employee share-based payments is recognised based on the fair value of the options as on the grant date. The change does not affect total equity, but there is a decrease in profit before tax as well as total profit of ₹ 9 lakhs.

f. Other comprehensive income

Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains or losses are required to be presented in other comprehensive income.

g. MTM on Forward Contracts

Under previous GAAP, the Forward contracts outstanding as on reporting date were not requried to be restated basis MTM valuation. Under Ind AS, the forward contracts outstanding needs to be valued as per MTM. On the date of transition to Ind AS, these financial assets have been measured at MTM which is higher than the liability as per preivous GAAP, resulting in an increase in liability by ₹ 10 lakhs as at March 31, 2017 and ₹ 36 lakhs as at April 01, 2016.

Note 35
Other Disclosures

(i) Contingent liabilities

Details	31st March 2018	31st March 2017	01st April 2016
(i) Claims against the company not acknowledged as debt			
Income tax	97	46	277
Excise duty	13	13	13
Value added tax	53	57	57
Others	56	56	–
(ii) Capital commitments			
(i) Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances)	98	10	88

₹ in Lakhs

Details	31st March 2018	31st March 2017
(iii) Audit Fees		
As statutory auditors	15	13
Taxation matters	2	2
Other services	5	4
Reimbursement of expenses	4	3
Total	26	22
(iv) Expenditure incurred on Corporate Social Responsibility activities:		
(a) Gross amount required to be spent by the Company during the year	13	NA
(b) Amount spent during the year in cash:	14	NA

(v) "Exceptional Items' of ₹ 369 lakhs represents net profit on sale of leasehold rights on land and other assets.

Note 36

Related Party Disclosure for the year ended March 31, 2018 (as required under Ind AS 24)

36.1. Holding companies

T.V.Sundram Iyengar & Sons Private Limited, Madurai (Ultimate Holding Company)

TVS Investments Private Limited, Chennai (Holding Company of Reporting Entity)

36.2 Subsidiary company

Benani Foods Private Limited, Chennai

36.3 Other Related Parties with whom transactions have been made during the year

Fellow Subsidiaries:

Sundaram-Clayton Limited, Chennai

TVS Motor Company Limited, Chennai

TVS Capital Funds Private Limited, Chennai

36.4 Key Management Personnel (KMP)

Mr. Gopal Srinivasan (Chairman)

Mr. K E Ranganathan (Managing Director until 30th June 2016)

36.5 Transactions with related parties

	2017-18	2016-17
Services availed		
a. Sundaram-Clayton Limited, Chennai	14	12
b. TVS Investments Private Limited, Chennai	53	40
c. TVS Capital Funds Private Limited, Chennai	148	100
Sale of Materials / Fixed Assets		
a. TVS Motor Company Limited, Chennai	20	14
b. Sundaram-Clayton Limited, Chennai	3	1
Services rendered		
a. TVS Motor Company Limited, Chennai	117	96
b. TVS Capital Funds Private Limited, Chennai	12	10
c. Sundaram-Clayton Limited, Chennai	101	96

₹ in Lakhs

	2017-18	2016-17
Remuneration to Key Management Personnel		
a. Salary	–	23
b. Employee Stock Option Plan	–	2
c. Sitting fees	1	1
Investment made		
Benani Foods Private Limited	175	50
Closing Balance		
a) Trade Receivables		
a. Sundaram-Clayton Limited, Chennai	26	21
b. TVS Motor Company Limited, Chennai	15	10
c. TVS Capital Funds Private Limited, Chennai	–	1
b) Indemnity Deposit		
a. TVS Investments Private Limited, Chennai	2,500	2,500
c) Trade Payables		
a. TVS Investments Private Limited, Chennai	17	24
b. TVS Capital Funds Private Limited, Chennai	46	0
c. Sundaram-Clayton Limited, Chennai	4	4

Note 37

Income taxes relating to continuing operations

37.1 Income tax recognised in profit or loss

	2017-18	2016-17
Current tax		
In respect of current year	550	–
In respect of prior years	–	(38)
Deferred tax		
In respect of current year	271	278
Total income tax gain recognised in the current year relating to continuing operations	821	240
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax from continuing operations	2,445	873
Income tax expense calculated at 34.608% (2016-17 - 33.063%)	846	288
Effect of income that is exempt from taxation	(1)	(1)
Effect of differential tax rate for LTCG	(28)	–
Effect of expenses that are not deductible in determining taxable profit	(18)	(23)
Effect of other temporary differences now recognised as DTL, net	22	14
	821	278
Adjustments recognised in current year relating to current tax of previous years	–	(38)
Income tax expense recognised in profit or loss (relating to continuing operations)	821	240

The tax rate used for the 2017-18 and 2015-16 reconciliations above is the corporate tax rate of 34.608% and 33.063% respectively, payable by corporate entities in India on taxable profits under the Indian tax law.

37.2 Income tax recognised in other comprehensive income

	2017-18	2016-17
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Net fair value gain on investments in equity shares at FVTOCI	–	(1)
Remeasurement of defined benefit obligation	(12)	(15)
Total income tax recognised in other comprehensive income	(12)	(16)

₹ in Lakhs

Note 38

Financial Instruments

38.1 Capital Management

The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Company. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Debt *	329	2,387	3,147
Cash and cash equivalents	3,225	1,333	602
Net debt	–	1,054	2,545
Equity**	8,357	6,786	6,092
Total capital (Debt+Equity)	8,357	7,839	8,638
Net debt to equity ratio	0.00	0.13	0.29

* Debt is defined as long-term and short-term borrowings (excluding derivatives).

** Equity includes all capital and reserved of the company that are managed as capital.

38.2. Categories of financial instruments

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
(a) Mandatorily measured:			
(i) Other investments	97	419	690
(ii) Foreign currency forward contracts			
Measured at amortised cost			
(a) Cash and bank balances	3,949	1,333	602
(b) Other financial assets	40,881	13,401	3,545
Measured at FVTOCI			
(a) Investments in equity instruments designated upon initial recognition	48	48	52
Measured at Cost			
(a) Investment in subsidiaries	378	275	225
Financial liabilities			
Measured at fair value through profit or loss (FVTPL)			
(a) Derivatives not designated in hedge accounting relationships	2	36	10
Measured at amortised cost			
(a) Other financial liabilities	93,548	30,472	10,388

38.3 Financial risk management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk. The Company does not enter into trade financial instruments, including derivative financial instruments, for speculative purposes.

38.4 Market Risk

The Company's financial instruments are exposed to market rate changes. The Company is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk
- Other price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

38.5 Foreign Currency risk management

The company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the company's foreign currency denominated monetary liabilities at the end of the reporting period.

Currency	Liabilities as at (Amount in Lakhs)		
	March 31, 2018	March 31, 2017	April 01, 2016
USD	2	1	1
EURO	–	4	3
JPY	31	-	–

Foreign currency forward contracts outstanding as at Balance Sheet date:

Currency	Liabilities as at (Amount in Lakhs)		
	March 31, 2018	March 31, 2017	April 01, 2016
USD	4	18	16
EURO	1	–	4

38.5.1.Foreign Currency sensitivity analysis

The following table details the company's sensitivity to a 10% increase and decrease in the Rs. against 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 where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in profit or equity where the Rs. strengthens 10% against the relevant currency. For a 10% weakening of the Rs. against the relevant currency, there would be a comparable impact on the profit or equity.

Particulars	Currency USD impact		Currency EUR impact		Currency JPY impact	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Profit or loss	10	6	2	26	2	–

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

38.6 Interest rate risk management

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 the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings.

38.6.1 Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Impact on profit & loss account (in ₹ lakhs)	3	24

38.7 Other price risks

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic purposes. The Company doesn't actively trade these investments.

38.7.1. Equity Price Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period. If equity prices had been 100 points higher/lower;

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Impact on OCI (in ₹ lakhs)	0.5	0.5

38.8 Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The company uses other publicly available financial information and its own trading records to review its major customers. The company's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

38.9 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium, and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

38.9.1. Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its 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 Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2018

₹ in Lakhs

Particulars	Less than 1 year	1-3 year	3 - 5 year	5+years	Total contractual cash flows	Carrying amount
Trade payables	92,498				92,498	92,498
Borrowings	329				329	329
Other financial Laibilities	368				368	270

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2017

Particulars	Less than 1 year	1-3 year	3 - 5 year	5+years	Total contractual cash flows	Carrying amount
Trade payables	27,977				27,977	27,977
Borrowings	2,199	188			2,387	2,387
Other financial Liabilities	119				119	109

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at April 01, 2016

Particulars	Less than 1 year	1-3 year	3 - 5 year	5+years	Total contractual cash flows	Carrying amount
Trade payables	7,119				7,119	7,119
Borrowings	2,710	438			3,147	3,147
Other Financial Liabilities	211				211	123

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

38.10. Fair value measurements

38.10.1 Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the company's financial assets and financial liabilities are mesured at fair value at the end of the reporting period. 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).

Particulars	Fair Value hierarchy	As at 31 March 2018			As at 31 March 2017			As at 01 April 2016		
		Amortised cost	Fair Value through profit of loss	Fair value through OCI	Amortised cost	Fair Value through profit of loss	Fair value through OCI	Amortised cost	Fair Value through profit of loss	Fair value through OCI
Financial assets										
- Trade receivables	Level 2	40,033			12,667			2,889		
- Cash and cash equivalents	Level 2	3,225			1,333			602		
- Bank balances other than cash and cash equivalents	Level 2	724			–			–		
- Investments in Mutual funds	Level 2		97			419			690	
- Investments in equity instruments	Level 3			48			48			52
- Other financial assets	Level 2	849			734			656		
Financial liabilities										
Borrowings	Level 2	329			2,137			3,086		
Trade payables	Level 2	92,948			27,977			7,119		
Other financial liabilities	Level 2	270	2		359	36		184	10	

Note 39

Segment revenues, results and other information

₹ in Lakhs

Particulars	March 31, 2018			March 31, 2017		
	IT Products & Technical Services	Distribution	Total	IT Products & Technical Services	Distribution	Total
Revenue from Operations						
External Sales	29,627	3,88,531	4,17,798	30,225	2,22,091	2,52,316
Less: Inter Segment Sales - Elimination	–	–	–	–	–	–
Net Revenue	29,627	3,88,531	4,17,798	30,225	2,22,091	2,52,316
Segmentwise results before interest and tax and Exceptional items	727	1,261	1,998	(116)	963	847
Add: Interest Income	–	–	121	–	–	66
Add: Other unallocable Income	–	–	99	–		241
Less: Finance Costs	–	–	(142)	–	–	(281)
Profit before tax from ordinary activities before tax and exceptional items	–	–	2,076	–	–	873
Add: Exceptional items	369	–	369	–	–	–
Profit from ordinary activities before tax and after exceptional items	–	–	2,445	–	–	873
Less: Tax expense	–	–	(821)	–	–	(240)
Profit After Tax	–	–	1,624	–	–	633
Segment Assets	9,876	88,138	97,924	16,464	18,672	35,136
Unallocated segment assets	–	–	5,177	–	–	3,206
Total Assets			1,03,101			38,342
Segment Liabilities	3,441	90,974	94,415	8,639	20,780	29,419
Unallocated segment liaibilities	–	–	329	–	–	2,137
Total Liabilities			94,744			31,556
Capital Expenditure	240	–	240	243	–	243
Segment depreciation/amortisation	446	–	446	593	–	593
Non-cash expenses / (income) other than depreciation / amortisation	81	–	–	87	–	–

Note 40

Employee benefit plans

A. Description of plans

The Company makes contributions to both Defined Benefit and Defined Contribution Plans for qualifying employees. These Plans are administered through approved Trusts, which operate in accordance with the Trust Deeds, Rules and applicable statutes. The concerned Trusts are managed by Trustees who provide strategic guidance with regard to the management of their investments and liabilities and also periodically review their performance.

Provident Fund, Gratuity Benefits are funded and Leave Encashment Benefits are unfunded in nature.

Under the Provident Fund, Gratuity and Leave Encashment Schemes, employees are entitled to receive lump sum benefits. The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method at the year end. The Company makes regular contributions to these Employee Benefit Plans. Additional contributions are made to these plans as and when required based on actuarial valuation.

B. Defined benefit plans :

Gratuity -

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as March 31, 2018 by Mr.Bhargava, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit cost method.The following table sets forth the status of the Gratuity Plan of the Company and the amount recognized in the Balance Sheet and Statement of Profit and Loss. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC).

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk :

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in thevalue of the liability (as shown in financial statements).

Investment Risk :

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Escalation Risk :

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liabilty.

Demographic Risk :

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

₹ in Lakhs

Particulars	Gratuity Fund 2017-18	Gratuity Fund 2016-17
Present Value of obligations at the beginning of the year	246	185
Current service cost	40	27
Interest Cost	17	14
Acquistion / Diventitures / Adjustments	6	–
Re-measurement (gains)/losses:		
- Actuarial gains and losses arising from change in financial assumption	23	19
- Actuarial gains and losses arising from experience adjustment	–	21
Benefits paid	(40)	(20)
Present Value of obligations at the end of the year	292	246
Changes in the fair value of planned assets		
Fair value of plan assets at beginning of year	226	188
Interest Income	17	16
Return on plan assets	(11)	(4)
Acquistion / Diventitures / Adjustments	7	–
Other charges	(3)	–
Contributions from the employer	49	47
Benefits Paid	(40)	(20)
Fair Value of plan assets at the end of the year	245	226
Amounts recognized in the Balance Sheet		
Projected benefit obligation at the end of the year	292	246
Fair value of plan assets at end of the year	245	226
Funded status of the plans - Liability recognised in the balance sheet	47	20
Components of defined benefit cost recognised in profit or loss		
Current service cost	40	27
Net Interest Expense	–	(2)
Net Cost in Profit or Loss	40	25
Components of defined benefit cost recognised in Other Comprehensive income		
Remeasurement on the net defined benefit liability:		
- Actuarial gains and losses arising from change in financial assumption	23	19
- Actuarial gains and losses arising from experience adjustment	–	21
Return on plan assets	11	4
Net Cost in Other Comprehensive Income	34	44

	March 31, 2018	March 31, 2017	April 01, 2016
Assumptions			
Discount rate	7.80%	7.25%	7.75%
Expected rate of salary increases	7.50%	5.00%	5.00%
Expected rate of attrition	10.00% to 25.00%	5.00%	5.00%
Average age of members	33.66	35.72	36.74
Average remaining working life	24.34	22.28	21.26
Mortality	(IALM (2006-2008) Ultimate)		

₹ in Lakhs

The Company has invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits.The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

Significant actuarial assumptions for the detemination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	March 31, 2018	March 31, 2017
Discount rate		
- 1% increase	15	7
- 1% decrease	(13)	(8)
Salary growth rate		
- 1% increase	(11)	(7)
- 1% decrease	11	7

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

D. Long Term Compensated Absence

The assumption used for computing the long term accumulated compensated absences on actuarial basis are as follows:

Assumptions	2017-18	2016-17
Discount rate	7.80%	7.25%
Attrition Rate	10.00% to 25.00%	5.00%
Expected rate of salary increases	7.50%	5.00%

Note 41

Approval of Financial Statements

The Financial Statements were approved for issue by the Board of Directors on May 11, 2018.

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells Chartered Accountants	**GOPAL SRINIVASAN** Chairman	**PRAKASH KATAMA** Chief Executive Officer
BHAVANI BALASUBRAMANIAN Partner	**S. NAGALAKSHMI** Company Secretary	**KARTHI CHANDRAMOULI** Vice President - Finance & CFO

Chennai
May 11, 2018

CONSOLIDATED FINANCIAL STATEMENTS

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To
The Members of TVS Electronics Limited,
Chennai – 600 006.

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of TVS Electronics Limited ("the Company") including its erstwhile subsidiary- Prime Property Holdings Limited which got merged with the Company with an appointed date of April 1, 2016 (collectively hereinafter referred to as the "Parent") and its subsidiary(the Parent and its subsidiary together referred to as "the Group"), comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements")

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraphs (a) and (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditor of the erstwhile subsidiary company and other auditors on separate financial statements/financial information of the subsidiary, referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2018, and their consolidated profit,consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

(a) We did not audit the financial statements / financial information of aforesaid erstwhile subsidiary company whose financial statements / financial information reflect total assets of ₹ 804 Lakhs as at 31st March, 2018 and total revenues of ₹ Nil for the year ended on that date, as considered in the standalone financial statements of the Parent. The financial statements / financial information of the erstwhile subsidiary company have been audited by other auditor whose reports have been furnished to us and our opinion in so far as it relates to the amounts and disclosures included in respect of this erstwhile subsidiary companyand our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the erstwhile subsidiary company is based solely on the report of the other auditor.

(b) We did not audit the financial statements / financial information of one subsidiary, whose financial statements/ financial information reflect total assets of ₹ 182 Lakhs as at 31st March, 2018, total revenues of ₹ 444 Lakhs and net cash inflows of amounting to ₹ 7 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements / financial information have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors

(c) The comparative financial information of the Group for the year ended 31st March 2017 and the related transition date opening balance sheet as at 1st April 2016 included in these consolidated Ind AS financial statements, have been prepared after adjusting the previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued consolidated financial statements were audited by the predecessor auditor whose report for the year ended 31st March 2017 dated 12th May 2017 expressed a modified opinion and whose report for the year ended 31st March 2016 dated 4th May 2016 expressed an unmodified opinionon those consolidated financial statements respectively. The modification for the year ended March 31, 2017 relates to remuneration of ₹ 1.50 Lakhs paid to the Managing Director of the Parent in excess of the amount approved by the Central Government and provisions of Section 197 of the Companies Act, 2013 read with Schedule V of the Act. Adjustments made to the previously issued consolidated financial statementsto comply with Ind AS have been audited by us.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of the above matters on the comparative financial information.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the auditor of the aforesaid erstwhile subsidiary company and other auditor on separate financial statements and the other financial information of the subsidiary company incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept, so far as it appears from our examination of those books, returns and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2018 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of the subsidiary company, incorporated in India, none of the directors of the Group company is disqualified as on 31st March 2018 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Parent.Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the parent, for the reasons stated therein.

Reporting on the adequacy of Internal Financial Control Over Financial Reporting of the subsidiary company incorporated in India and the operating effectiveness of such controls, under section 143(3)(i) of the Act is not applicable in view of the exemption available to the subsidiary company in terms of the notification no. G.S.R. 583(E) dated 13 June 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated 25 July 2017.

(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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary company, incorporated in India

For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration No: 008072S

Bhavani Balasubramanian
Partner
Membership No: 22156

Place : Chennai
Date : May 11, 2018

Annexure 'A' to the Independent Auditors' Report on Consolidated Accounts

(Referred to in paragraph 1(f)under 'Report on Other Legal and Regulatory Requirements'section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of TVS Electronics Limited ("the Company") including its erstwhile subsidiary company- Prime Property Holdings Limited which got merged with the Company with an appointed date of April 1, 2016 (herein after referred to as "Parent").

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent 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 Parent'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 internal financial controls over financial reporting of the Parent, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the auditor of the aforesaid erstwhile subsidiary company, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor referred to in the Other Matters paragraph below, the Parent, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the criteria for internal financial control over financial reporting established by the parent 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the aforesaid erstwhile subsidiary company, is based solely on the corresponding report of the other auditor.

Our opinion is not modified in respect of the above matter.

For Deloitte Haskins & Sells
Chartered Accountants
Firm Registration No: 008072S

Bhavani Balasubramanian
Partner
Membership No: 22156

Place : Chennai
Date : May 11, 2018

TVS ELECTRONICS

Consolidated Balance Sheet as at 31st March, 2018

₹ in Lakhs

	Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
A.	**ASSETS**				
	Non-Current Assets				
	(a) Property, plant and equipment	2	993	1,378	1,771
	(b) Capital Work in Progress	2	11	–	2
	(c) Goodwill	3	194	194	194
	(d) Other Intangible Assets	4	1,881	1,926	1,934
	(e) Financial Assets				
	(i) Investments				
	a) Other Investments	5	145	467	742
	(ii) Other financial assets	6	220	195	329
	(f) Deferred Tax Assets (Net)	7	169	432	553
	(g) Non Current Tax Assets (Net)	13	445	694	596
	(h) Other Non Current Assets	8	2,670	2,798	2,809
	Total non-current assets		6,728	8,084	8,930
	Current Assets				
	(a) Inventories	9	48,540	15,327	4,088
	(b) Financial Assets				
	(i) Trade Receivables	10	40,087	12,738	2,906
	(ii) Cash and Cash Equivalents	11	3,238	1,339	740
	(iii) Bank balances other than (ii) above	12	724	–	–
	(iv) Other Financial assets	6	635	546	336
	(c) Other Current Assets	8	3,113	339	314
	Total current assets		96,337	30,289	8,384
	TOTAL ASSETS		103,065	38,373	17,314
B	**EQUITY AND LIABILITIES**				
	Equity				
	(a) Equity Share Capital	14	1,861	1,861	1,855
	(b) Other Equity	15	6,412	4,850	4,229
	Equity attributable to the owners of the Company		8,273	6,711	6,084
	Non controlling interest	32	(54)	(73)	57
	Total Equity		8,219	6,638	6,141
	Liabilities				
	Non-Current Liabilities				
	(a) Financial Liabilities				
	i. Borrowings	16	–	188	438
	(b) Provisions	17	294	252	182
	(c) Other non-current liabilities	18	37	31	44
	Total non-current liabilities		331	471	664
	Current Liabilities				
	(a) Financial Liabilities				
	i. Borrowings	19	329	2,057	2,756
	ii. Trade Payables	20	93,029	28,027	7,139
	iii. Other financial Liabilities	21	285	408	204
	(b) Provisions	17	545	352	247
	(c) Other Current Liabilities	18	327	420	163
	Total current liabilities		94,515	31,264	10,509
	Total Liabilities		94,846	31,735	11,173
	TOTAL EQUITY AND LIABILITIES		103,065	38,373	17,314

The accompanying notes are an integral part of these consolidated finanical statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

BHAVANI BALASUBRAMANIAN
Partner

Chennai
May 11, 2018

For and on behalf of the Board of Directors

GOPAL SRINIVASAN
Chairman

S. NAGALAKSHMI
Company Secretary

PRAKASH KATAMA
Chief Executive Officer

KARTHI CHANDRAMOULI
Vice President - Finance & CFO

Consolidated Statement of Profit and Loss for the Year ended 31st March, 2018

₹ in Lakhs

	Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
I.	**Revenue from operations**	22	418,242	2,52,719
II.	**Other income**	23	221	308
III.	**Total Income (I + II)**		418,463	253,027
IV.	**Expenses:**			
	Cost of materials consumed	24	10,724	10,291
	Purchases of Stock-in-Trade	25	427,682	241,163
	Changes in Inventories of finished goods, work-in-progress and stock in trade	26	(32,995)	(10,914)
	Excise duty on sale of goods		144	399
	Employee benefits expense	27	3,311	3,245
	Finance costs	28	142	281
	Depreciation and amortisation expense	29	461	606
	Other expenses	30	7,043	7,279
	Total Expenses (IV)		416,512	252,350
V	**Profit before tax & Exceptional Items (III-IV)**		1,951	677
VI	Exceptional Items (Refer note 35(v))		369	–
VII	**Profit before tax (V+VI)**		2,320	677
VIII	**Tax Expense:**			
	(1) Current Tax		550	–
	(2) Deferred Tax	7	270	278
	(3) Tax relating to earlier years		–	(38)
			820	240
IX	**Profit for the year (VII-VIII)**		1,500	437
	Other Comprehensive Income			
	A. i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the defined benefit plans		(33)	(45)
	b) Equity instruments through other comprehensive income		–	(4)
			(33)	(49)
	ii) Income tax relating to items that will not be reclassfied to profit or loss		12	16
X	**Total other comprehensive income (A(i-ii))**		(21)	(33)
XI	**Total Comprehensive Income (IX+X)**		1,479	404
	Profit for the year attributable to:			
	- Owners of the Company		1,615	566
	- Non-controlling Interest		(115)	(129)
	Other comprehensive Income for the year attributable to:			
	- Owners of the Company		(22)	(32)
	- Non-controlling Interest		1	(1)
	Total comprehensive Income for the year attributable to:			
	- Owners of the Company		1,593	534
	- Non-controlling Interest		(114)	(130)
XII	**Earnings Per Equity Share (Nominal value per share ₹ 10)**			
	(a) Basic	31	8.68	3.04
	(b) Diluted	31	8.58	3.02

The accompanying notes are an integral part of these consolidated finanical statements

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

BHAVANI BALASUBRAMANIAN
Partner

Chennai
May 11, 2018

GOPAL SRINIVASAN
Chairman

S. NAGALAKSHMI
Company Secretary

PRAKASH KATAMA
Chief Executive Officer

KARTHI CHANDRAMOULI
Vice President - Finance & CFO

Consolidated Statement of Changes in Equity for the year ended 31 March 2018

(in Indian Rupees lakhs, unless otherwise stated)

Particulars	Share Capital	Securities premium	Capital Reserve	Reserves and Surplus				Items of other comprehensive income		Total
				General Reserve	ESOP Reserve	Investment Subsidy	Retained Earnings	Equity Instruments through other Comprehensive Income	Acturial Gain / (Loss)	
Balance at April 1, 2016 (as previously reported)	1,855	1,436	61	294	51	15	1,393	–	–	5,105
Changes in accounting policy	–	–	–	–	38	–	947	(6)	–	979
Restated Balance at April 1, 2016	1,855	1,436	61	294	89	15	2,340	(6)	–	6,084
Movement during 2016–17										
Profit for the year	–	–	–	–	–	–	566	–	–	566
Share capital	6	–	–	–	–	–	–	–	–	6
Recognition of share based payments	–	–	–	–	87	–	–	–	–	87
Other comprehensive income for the year, net of income tax	–	–	–	–	–	–	–	(4)	(28)	(32)
Amount transferred within Reserves	–	56	–	15	(56)	(15)	–	–	–	–
Balance at March 31, 2017	1,861	1,492	61	309	120	–	2,906	(10)	(28)	6,711
Movement during 2017–18										
Profit for the year	–	–	–	–	–	–	1,615	–	–	1,615
Recognition of share based payments	–	–	–	–	81	–	–	–	–	81
Other comprehensive income for the year, net of income tax	–	–	–	–	–	–	–	–	(22)	(22)
Payment of dividends (Including taxes)	–	–	–	–	–	–	(112)	–	–	(112)
Balance at March 31, 2018	1,861	1,492	61	309	201	–	4,409	(10)	(50)	8,273

The accompanying notes are an integral part of these consolidated finanical statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

BHAVANI BALASUBRAMANIAN
Partner

Chennai
May 11, 2018

For and on behalf of the Board of Directors

GOPAL SRINIVASAN
Chairman

S. NAGALAKSHMI
Company Secretary

PRAKASH KATAMA
Chief Executive Officer

KARTHI CHANDRAMOULI
Vice President - Finance & CFO

Statement of Consolidated Cash Flow

₹ in Lakhs

	Year ended 31.03.2018		Year ended 31.03.2017	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Tax		2,320		677
Adjustment for :				
Depreciation and Amortisation	461		606	
Finance costs	142		281	
(Profit) / loss on sale of Property, Plant and Equipment	(610)		63	
Net (Gain) / loss arising on FVTPL Transaction	(54)		119	
Profit on sale of investment	(1)		(109)	
Interest Income	(121)		(66)	
Employee stock option expense	81		87	
Share of cost for Investment in TVS Shriram Growth Fund 1A	115		73	
Bad debts written off and provision for doubtful debts	28		35	
Loss on Property, Plant and Equipment sold / scrapped	40	81	30	1,119
Operating profit before working capital changes		2,401		1,796
Changes in working capital				
Adjustments for (increase) / decrease in operating assets				
Trade and other receivables	(27,377)		(9,868)	
Inventories	(33,213)		(11,239)	
Bank balances considered as other than cash and cash equivalent	(724)		–	
Other Assets	(2,553)		(15)	
Other Financial Assets	(90)		(76)	
Adjustments for increase/(decrease) in operating liabilities				
Trade payable	65,003		20,888	
Other Liabilties	148		420	
Other Financial Liabilties	(102)		217	
		1,092		327
Cash generated from operations		3,493		2,123
Direct taxes paid net of refund		(394)		(229)
Net cash flow from operating activities		3,099		1,894
B. Cash flow from investing activities				
Purchase of Property, Plant and Equipment including capital advances	(357)		(337)	
Proceeds from sale of Property, Plant and Equipment	792		47	
(Purchase) / sale of investments	321		166	
Interest received	96		65	
Net cash flow from / (used in) investing activities		852		(59)
C. Cash flow from financing activities				
Proceeds from issue of equity shares	–		6	
Security preimium on issue of shares (Non controlling Interest)	133		–	
Repayment of borrowings	(188)		(250)	
Net increase / (Decrease) in working capital borrowing	(1,728)		(699)	
Finance costs	(157)		(293)	
Dividends paid Including Dividend Tax	(112)		–	
Net cash flow used in financing activities		(2,052)		(1,236)
D. Net (decrease) / increase in cash and cash equivalents (A+B+C)		1,899		599
Reconciliation				
Cash and cash equivalents as at beginning of the Year		1,339		740
Cash and cash equivalents as at end of the Year		3,238		1,339
Net (decrease) / increase in cash and cash equivalents		1,899		599

The accompanying notes are an integral part of these consolidated finanical statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

BHAVANI BALASUBRAMANIAN
Partner

Chennai
May 11, 2018

For and on behalf of the Board of Directors

GOPAL SRINIVASAN
Chairman

S. NAGALAKSHMI
Company Secretary

PRAKASH KATAMA
Chief Executive Officer

KARTHI CHANDRAMOULI
Vice President - Finance & CFO

1. NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

a) Brief description of the Company

TVS Electronics Limited ('the Company / Parent') is a public limited Company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at "Jayalakshmi Estates", 29, Haddows Road, Nungambakkam, Chennai - 600006, Tamil Nadu, India. The company has a subsidiary Benani Foods Private Limited. The Parent and its Subsidiary are collectively referred to as "Group"

The parent manufactures and sells Point of sale devices, Printers & Keyboards besides providing service for extensive product lines across various brands via various delivery models like exclusive service centers, multi brand service centers, onsite support, repair centers and factories. The parent is also into 'Distribution Services' though e-commerce. The subsidiary offers food products like IDLY/ DOSA Batter, Vada Batter, Idiyappam and cooked Idly (Ready to Eat).

b) Significant Accounting Policies

1) Statement of compliance

'These consolidated financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. Up to the year ended March 31, 2017, the Group prepared its consolidated financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Group's first Ind AS consolidated financial statements. The date of transition to Ind AS is April 1, 2016. Refer Note 1.22 for the details of first-time adoption exemptions availed by the Group.

2) Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 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 consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.
  The principal accounting policies are set out below.

3) Critical accounting judgements and key sources of estimation and certainity

a) Use of estimates

The preparation of consolidated financial statements in conformity with Ind AS requires management to make certain estimates and assumptions that affect the amounts reported in the consolidated financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, future results could differ from these estimates and the differences between actual results and estimates are recognised in the period in which results are known / materialised.

Estimates and underlying assumptions are reviewed on an ongoing basis and any revision to accounting estimates is recognised prospectively in the current and future period.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

b) Significant Estimates and judgements

The areas involving critical estimates or judgments are:

i) Fair valuation measurement & valuation process

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

ii) Actuarial Valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

iii) Useful life of Property, Plant and Equipment & Intangible assets

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

4) Consolidated Financial Statements

4.1 Basis for Consolidation

The consolidated financial statements incorporate the financial statements of the Parent and entities controlled by the Parent. Control is achieved when the Parent:

- has power over the 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.

The Company reassesses 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 listed above.

When the Parent has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The parent considers all relevant facts and circumstances in assessing whether or not the Parent's voting rights in an investee are sufficient to give it power, including:

- the size of the Parent's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Parent, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Parent has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of an entity begins when the Parent obtains control over the subsidiary and ceases when the Parent loses control of the subsidiary. Specifically, income and expenses of an entity acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Parent gains control until the date when the Parent ceases to control the subsidiary.

4.2 Changes in the Parent's ownership interests in existing subsidiaries

Changes in the Parent's ownership interests in Subsidiary that do not result in the Parent losing control over the subsidiary are accounted for as equity transactions. The carrying amounts of the Parent's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Parent.

When the Parent loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Parent had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

5) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

6) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates and goods and service tax.

i. Sale of Products

Revenue from sale of products is recognised, when significant risks and rewards of ownership pass to the dealer / customer, as per terms of contract and it is probable that the economic benefits associated with the transaction will flow to the Group. Whereas, revenue from Distribution services is recognised on delivery of goods to customers.

ii. Rendering of services

Revenue from Services is recognised in the accounting period in which the services are rendered.

iii. Dividend & Interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (Provided it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that assets net carrying amount on initial recognition.

7) Property, Plant and Equipment

"Land and building held for use in the production or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Free hold land is not depreciated.""Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use."

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. 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 estimate useful life adopted by the Group are as follows:

Asset	Useful life
Building	1 to 30 Years
Plant & Machinery	1 to 15 Years
Furniture & Fittings	1 to 10 Years
Office Equipments (including computers & servers)	1 to 6 Years
Vehicles	1 to 10 Years
Leasehold improvements	over primary period of lease

Capital work-in-progress: Projects under which plant, property and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

8) **Intangible assets**

a. **Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

b. **Derecognition of intangible assets**

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognized.

c. **Useful lives of intangible assets**

Estimated useful lives of the intangible assets are as follows:

Intangible asset	Useful life
Computer softwares	2 years
Business Rights	Indefinite

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as of 1st April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

9) **Impairment of Tangible and Intangible assets**

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible 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). When it is not possible to estimate the recoverable amount of an individual asset, the Group 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 at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised 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 recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

10) Inventories

Inventories are stated at lower of cost or net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in normal course of business in brining such inventory to its present location and condition and includes where applicable, appropriate overheads based on the normal level of activity.““Net realisable value is the estimated selling price less estimated cost for completion of sale.

Obsolete, slow moving and defective inventories are identified from time to time and where necessary, a provision is made for such inventories.

11) Employee benefits

(i) Short term Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

(ii) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit 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 annual reporting period.

Defined benefit costs are categorized 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 gain / (loss)

  The Group presents the first two components of defined benefit costs in profit or loss in the line item ‘Employee benefits expense’.

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.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet 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 is not reclassified to profit or loss.

Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet 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 plans.

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the Statement of Profit and Loss each year.

A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognizes any related restructuring costs.

Gratuity for employees is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the Statement of Profit and Loss. The liability as at the Balance Sheet date is provided for based on the actuarial valuation carried out as at the end of the year.

12) Taxes on income

Tax expense comprises of current and deferred taxes.

Current tax:

The current tax payable is based on the taxable profit for the year. Taxable profit differs from Profit before tax as reported in the statement of profit and loss account because of items of income or expenditure that are taxable or deductable in other years and items that are never taxable or deductable. The Group computes current tax using tax rate that have been enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated 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. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it 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 recognised if the temporary difference arises 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.

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 liabilities and assets 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 Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year:

Current and deferred tax are recognised in profit or loss account, except when they relate to items that are recognised in other comprehensive income or directly in equity respectively

13) Provisions and contingent liabilities

(i) Provision:

A provision is recorded when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

The amount recognised as provision is the best estimate of the consideration required to settle the present obligation at the end of reporting period, taking into account the risks and uncertainities surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is 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 recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provision for expected cost of warranty obligations under the local sale of goods legislation are recognised at the date of sale of relevant products, at management's best estimate of expenditure required to settle the Group's obligation

(ii) Contingent liabilities:

Wherever there is 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 entity or a 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

14) Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

"Unallocated Expenses" include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole and are not attributable to segments.

15) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Group as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

16) Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 33.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Under the previous GAAP, share based payment costs were accrued on a intrinsic value method. Upon transition to Ind AS, the Group has availed the exemption to apply the fair value to only unvested options.

17) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

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 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 the Statement of Profit and Loss.

17.1 Financial assets

Initial recognition and measurement:

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis.

Subsequent measurement:

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

a. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

All other financial assets are subsequently measured at fair value.

For the impairment policy on financial assets measured at amortized cost, refer Note 1(17)(d)

b. **Investment in equity instruments at FVTOCI**

On initial recognition, Group can make an irrevokable election(on a instument by instrument basis) to present the subsequent change in fair value in other comprehensive income pertaining to investment in equity instruments. This election is not permitted if the equity instrument is held for trading. These elected investment are initially measured at fair value plus transaction cost. Subsequently, they are measured at fair value with gains and losses arising from change in fair value recognised in other comprehensive income and accumlated in 'Reserve for equity instruments through other comprehensive income'. The cumulative gain / (loss) is not reclassified to profit or loss on disposal of investment.

A financial asset is held for trading if :

> it has been acquired principally for the purpose of selling it in near term; or

> on initial recognition it is part of portfolio of identified financial instrument that the Group manages together and has recent actual pattern of short term profit taking or

> it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

The Group has equity investments in one entity which are not held for trading nor a subsidiary. The Group has elected FVTOCI irrevocable option for this investment. Fair value is determined in the manner described in note 1(b)(2).

Dividends on this investment in equity instrument, if any will be recognised in profit or loss when the Group's right to receive the dividend is established, it is probable that economic benefit associated with the dividend will flow to the entity, the dividend does not represent a recover of part of cost of investment and the amount of dividend can be measured reliably.

c. **Financial assets at fair value through profit or loss (FVTPL)**

Financial assets that do not meet the amortised cost criteria or Fair value through other comprehensive income (FVTOCI) criteria are measured at FVTPL“Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the “Other income” line item.

d. **Impairment of financial assets**

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is 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 (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information on case to case basis.

e. **Derecognition of financial assets**

The Group derecognises a financial asset 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 in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

f. Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

> For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

17.2Financial liabilities and equity instruments

a. Classification as debt or equity

Debt and equity instruments issued by the Group 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.

b. 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 Parent Entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Parent'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 Parent's own equity instruments.

c. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

c.1. Financial liabilities at FVTPL

Financial liabilities are recognised at fair value through profit or loss (FVTPL) if it includes derivative liabilities.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Fair value is determined in the manner described in note 1(b)(2)

c.2. Financial liabilities measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on 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 net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

c.3. Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

c.4. Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

17.3Derivative financial instruments

The Group enters into forward contracts to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

18 Foreign Currency Transactions

The functional and presentation currency of the Group is Indian Rupee.

In preparing the consolidated financial statements of the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised 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. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated

19) Operating cycle for current and non-current classification

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

20) Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

21) Standards issued but not yet effective

i) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Group has evaluated the effect of this on the consolidated financial statements and the impact is not material.

ii) Ind AS 115, Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Group will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

(iii) **Standards yet to be notified: Ind AS 116 - "Leases"**

On 18 July 2017, the Accounting Standards Board (ASB) of the Institute of Chartered Accountants of India (ICAI) issued an Exposure Draft (ED) of Ind AS 116, Leases. Ind AS 116 is largely converged with IFRS 16. When notified, Ind AS 116 will replace Ind AS 17 Leases.

Ind AS 116 sets out a comprehensive model for identification of lease arrangements and their treatment in the financial statements of the lessor and lessee. Ind AS 116 applies a control model for the identification of leases, distinguishing between leases and service contracts on the basis of whether there is an identified asset controlled by the customer. The Group is evaluating the requirement of the standard and the effect on the financial statements upon notification.

22) **First-time adoption – mandatory exceptions, optional exemptions**

a. **Overall principle**

The Group has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Group as detailed below.

b. **Derecognition of financial assets and financial liabilities**

The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

c. **Classification of debt instruments**

The Group has determined the classification of debt instruments in terms of whether they meet the amortized cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

d. **Impairment of financial assets**

The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101. The Company has determined the classification of debt instruments in terms of whether they meet the amortized cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

e. **Deemed cost for property, plant and equipment**

The Group has elected to continue with the carrying value of all of its plant and equipment and investment property recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

f. **Determining whether an arrangement contains a lease**

The Group has applied Appendix C of Ind AS 17 determining whether an arrangement contains a lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

g. **Equity investments at FVTOCI**

The Group has designated investment in equity shares as at FVTOCI on the basis of facts and circumstances that existed at the transition date.

h. **Unvested Employee Stock Options at Fair value**

The Group has elected the option to account only unvested options at the transition date under fair value method.

i. **Past business combinations**

The Group has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2016. Consequently,

- The Group has kept the same classification for the past business combinations as in its previous GAAP financial statements;
- The Group has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquiree;
- The Group has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- The effects of the above adjustments have been given to the measurement of non-controlling interests and deferred tax.

₹ in Lakhs

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 2			
Property, Plant and Equipment and Capital Work-in-progress			
Carrying amounts of:			
Freehold land	24	24	24
Buildings	328	530	648
Plant and equipment	374	517	701
Furniture and Fixtures	81	100	144
Office Equipments	151	182	207
Vehicles	35	25	47
	993	1,378	1,771
Capital Work-in-progress	11	–	2

	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipments (Including computers & Servers)	Vehicles	Total
Cost of Assets							
Gross carrying value at 01-Apr-2016	24	1,261	2,717	316	868	59	5,245
Additions	–	64	93	30	108	26	321
Disposals	–	(167)	(641)	(28)	(78)	(57)	(971)
Balance at 31-Mar-2017	24	1,158	2,169	318	898	28	4,595
Additions	–	36	49	33	81	37	236
Disposals	–	(193)	(340)	(56)	(53)	(26)	(668)
Balance at 31-Mar-2018	24	1,001	1,878	295	926	39	4,163

	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipments (Including computers & Servers)	Vehicles	Total
Accumulated depreciation and impairment							
Balance at 01-Apr-2016	–	613	2,016	172	661	12	3,474
Eliminated on disposals	–	(130)	(604)	(14)	(74)	(14)	(836)
Depreciation expense	–	145	240	60	129	5	579
Balance at 31-Mar-2017	–	628	1,652	218	716	3	3,217
Eliminated on disposals	–	(61)	(280)	(50)	(53)	(3)	(447)
Depreciation expense	–	106	132	46	112	4	400
Balance at 31-Mar-2018	–	673	1,504	214	775	4	3,170
Carrying amount as on April 1, 2016	24	648	701	144	207	47	1,771
Carrying amount as on March 31, 2017	24	530	517	100	182	25	1,378
Carrying amount as on March 31, 2018	24	328	374	81	151	35	993

Note:

1. Details of assets offered as security is provided in Notes 16 and 19.

₹ in Lakhs

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 3			
Goodwill			
Carrying amounts of:			
Goodwill	194	194	194
	194	194	194

	Year ended 31-Mar-2018	Year ended 31-Mar-2017
Cost of Asset		
Balance at beginning of the year	194	194
Adjustments, if any	–	–
Balance at end of year	194	194

Goodwill pertains to Goodwill on consolidation. Goodwill was assigned to 'Food Products' segment as cash generating unit for the purpose of impairment testing. Goodwill was tested for impairment based on the valuation of Food Products business, obtained from an independent valuer based on discounted cashflow of forecasted business.

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 4			
Other Intangible Assets			
Carrying amounts of:			
Intellectual Property Rights	–	40	40
Business Rights	1,868	1,868	1,868
Software and Licenses	13	18	26
Total	1,881	1,926	1,934

Particulars	Intellectual Property Rights	Business Rights (refer note 1)	Software and Licences
Cost of Assets			
Gross value as on 01-Apr-2016	800	3,263	202
Additions	–	–	19
Disposals	–	–	(7)
Balance at 31-Mar-2017	800	3,263	214
Additions	–	–	16
Disposals	–	–	–
Balance at 31-Mar-2018	800	3,263	230

₹ in Lakhs

Particulars	Intellectual Property Rights	Business Rights (refer note 1)	Software and Licences
Accumulated depreciation and impairment			
Balance at 01-Apr-2016	760	1,395	176
Eliminated on disposals	–	–	(7)
Depreciation expense	–	–	27
Balance at 31-Mar-2017	760	1,395	196
Eliminated on disposals	–	–	–
Depreciation expense	40	–	21
Balance at 31-Mar-2018	800	1,395	217
Carrying amount as on April 1, 2016	40	1,868	26
Carrying amount as on March 31, 2017	40	1,868	18
Carrying amount as on March 31, 2018	–	1,868	13

Note:

1) Business Rights relating to servicetec business, with carrying value of ₹ 1,868 Lakhs has been considered as having an indefinite useful life as there are no technical, technological obsolence or limitations under the contract. The business rights has been tested for impairment by obtaining a valuation from an independent valuer based on discounted cashflow method. Based on the valuation, there was no impairment required to be recorded on the reporting date.
2) Amortization expense of intangible asset have been included under 'Depreciation & amortization' expense in statement of profit and loss account.

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 5			
Other Investments			
I. Unquoted Investments			
(a) Investments in Equity Instruments at FVTOCI			
6,00,000 (2017 - 6,00,000; 2016 - 6,00,000) shares of ₹ 10 each fully paid up TVS Training and Services Limited.	48	48	52
Other Investments			
(b) Investments in Mutual Funds at FVTPL			
8,603.03 (2017 - 48,581.52; 2016 - 56,651.94) units of Capital contribution to TVS Shriram Growth Fund 1A	97	419	690
Total Unquoted Investments	145	467	742
Total Other Investments	145	467	742
Current	–	–	–
Non-current	145	467	742

₹ in Lakhs

Particulars	Non-current			Current		
	31-Mar-2018	31-Mar-2017	01-Apr-2016	31-Mar-2018	31-Mar-2017	01-Apr-2016
Note 6						
Other Financial Assets						
At Amortised Cost						
(a) Security Deposits	220	195	298	122	100	58
(b) Interest receivable	–	–	–	25	–	–
(c) Unbilled revenue	–	–	–	478	387	256
(d) Insurance claims	–	–	–	–	48	6
(e) Others	–	–	31	10	11	16
	220	195	329	635	546	336

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 7			
Deferred tax balances			
The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:			
Deferred tax assets	421	764	930
Deferred tax liabilities	(252)	(332)	(377)
	169	432	553

2017-18	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax (liabilities) / asset in relation to				
Property plant and equipment	(332)	80	–	(252)
Provision for Doubtful Debts, Provision for compensated absences and others	18	5	–	23
Financial assets at FVTPL	28	(26)	–	2
Financial assets at FVTOCI	3	–	–	3
Defined benefit obligation, Provision for compensated absences	15	12	12	39
Total	(268)	71	12	(185)
Tax losses	342	(342)	–	–
Net Deferred Tax Assets / (Liability)	**74**	**(271)**	**12**	**(185)**
MAT Credit entitlement*	358	–	–	354
Net Deferred Tax Asset*	**432**	**(275)**	**12**	**169**

* MAT Credit availed during the year 2017-18 ₹ 4 lakhs

₹ in Lakhs

2016-17	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax (liabilities) / asset in relation to				
Property plant and equipment	(372)	40	–	(332)
Provision for Doubtful Debts and others	(5)	23	–	18
Financial assets at FVTPL	11	17	–	28
Financial assets at FVTOCI	2	–	1	3
Defined benefit obligation, Provision for compensated absences	–	–	15	15
Total	(364)	80	16	(268)
Tax losses	699	(357)	–	342
Net Deferred Tax Asset / (Liability)	335	(277)	16	74
MAT Credit entitlement	218	140	–	358
Net Deferred Tax Asset	**553**	**(137)**	**16**	**432**

Particulars	Non-current			Current		
	31-Mar-2018	31-Mar-2017	01-Apr-2016	31-Mar-2018	31-Mar-2017	01-Apr-2016
Note 8						
Other Assets						
(a) Security Deposit*	2,509	2,523	2,507	4	5	–
(b) Capital Advance	107	14	15	–	–	–
(c) Lease premium on Land	–	191	193	–	–	–
(d) Balance with Statutory authorities	41	43	54	3,010	221	259
(e) Prepaid expenses	13	27	40	99	113	55
	2,670	2,798	2,809	3,113	339	314

* Includes an amount of ₹ 2,500 lakhs paid to TVS Investments Private Limited as Indemnity Deposit (Refer note 36).

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 9			
Inventories			
(At lower of cost and net realisable value)			
(a) Raw materials (Refer note d)	1,089	871	546
(b) Work-in-process	–	–	–
(c) Finished goods	342	289	271
(d) Stock-in-trade (goods acquired for trading)	47,109	14,167	3,271
	48,540	15,327	4,088

Notes: a) The cost of inventories recognised as an expense during the year is disclosed in Note 24

b) Cost of inventory recognised as an expense include ₹ 104 lakhs (during 2016-17 ₹ 91 lakhs) on account of provision for slow moving / non moving inventory.

c) For charge on inventory refer note 19

d) Includes goods in transit of ₹ 364 lakhs (31st March 2017 - ₹ 246 lakhs; 1st April 2016 - ₹ 217 lakhs)

₹ in Lakhs

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 10			
Trade Receivables			
Secured, considered good	–	–	–
Unsecured, considered good	40,087	12,738	2,906
Unsecured, considered doubtful	81	56	37
Total Receivables	40,168	12,794	2,943
Allowance for doubtful debts	(81)	(56)	(37)
	40,087	12,738	2,906
Current	40,087	12,738	2,906
Non-current	–	–	–
The average credit period on sales of goods ranges from 30 to 45 days. No interest is charged on trade receivables up to the due date. The table below depicts the ageing of trade receivables:			
Age Receivables			
0-180 days	39,845	12,702	2,792
181-365 days	265	39	57
More than 365 days	58	53	94
	40,168	12,794	2,943

The Group has used a practical expedient by computing the expected credit loss allowance for trade recivable based on a provision matrix. The provision matrix takes in to account historical credit loss experience and adjusted for forward - looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates are given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Movement in expected credit loss allowance

Ageing	Expected credit loss%
0-180 days past due	–
181 - 365 days past due	50%
more than 365 days past due	100%

The ageing based provision matrix is not applied on the receivables relating to distribution business based on the historical credit loss experience with the customers of this business.

	Year ended March 31, 2018	Year ended March 31, 2017
Balance at beginning of the year	56	37
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	25	19
Balance at end of the year	81	56

Note 11

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

₹ in Lakhs

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
(a) Balances with banks			
(i) In Current account	528	1,215	515
(ii) In Deposit account	2,685	100	100
(b) Cash on hand	25	7	8
(c) Cheques, drafts on hand	–	16	117
	3,238	1,339	740
Note 12			
Other bank balances			
(a) Balances with banks in earmarked accounts			
- In Unpaid Dividend account	4	–	–
- In deposits with maturity above three months	720	–	–
	724	–	–
Note 13			
Non Current tax asset			
Advance Tax and TDS (net of provision)	445	694	596
Total	445	694	596
Note 14			
Equity Share Capital			
AUTHORISED :			
Equity Shares: 2,50,00,000 Equity Shares of ₹10 each (2017 - 2,50,00,000; 2016 - 2,50,00,000)	2,500	2,500	2,500
ISSUED, SUBSCRIBED AND FULLY PAID UP			
1,86,12,818 Equity Shares of ₹10 each (2017 - 1,86,12,818 ; 2016 - 1,85,52,818)	1,861	1,861	1,855
	1,861	1,861	1,855

14.1 Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period.

Reconciliation	2017-18		2016-17	
	No. of Shares	₹ Lakhs	No. of Shares	₹ Lakhs
Equity Shares of ₹ 10 each fully paid up				
At the beginning of the year	18,612,818	1,861	18,552,818	1,855
Allotment of shares on exercise of Employee Stock Option (refer note 33)	–	–	60,000	6
At the end of the year	18,612,818	1,861	18,612,818	1,861

14.2 Details of shares held by each shareholder holding more than 5 percent of equity shares in the parent:

Name of the Share holder	No of shares held as at					
	March 31, 2018		March 31, 2017		April 01, 2016	
	Nos.	%	Nos.	%	Nos.	%
TVS Investments Private Limited	11,160,093	59.96	11,160,093	59.96	11,160,093	60.15

14.3Terms attached to Equity Shares:

The Parent has one class of equity share having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

Share options granted under the Parent's employee share option plan carry no rights to dividends and no voting rights.

14.4Details of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Nil.

₹ in Lakhs

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 15			
Other Equity			
Capital reserve	61	61	61
Securities Premium reserve	1,492	1,492	1,436
General Reserve	309	309	294
Share options outstanding reserve	201	120	89
Investment subsidy	–	–	15
Reserve for equity instruments through Other Comprehensive income	(10)	(10)	(6)
Actuarial movement through other comprehensive income (net of tax)	(50)	(28)	–
Retained Earnings	4,409	2,906	2,340
	6,412	4,850	4,229

Reserves and Surplus	Year ended March 31, 2018	Year ended March 31, 2017
(a) Capital reserve	61	61
(b) Securities Premium Account		
Opening balance	1,492	1,436
Add :Addition during the year	–	56
Closing balance	1,492	1,492

₹ in Lakhs

Reserves and Surplus	Year ended March 31, 2018	Year ended March 31, 2017
(c) General reserve		
Opening balance	309	294
Add :Addition during the year	–	15
Closing balance	309	309
The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss except to the extent permitted as per Companies Act,2013 and rules made thereunder.		
(d) Share Options Outstanding Reserve		
Opening balance	120	89
Add :Addition during the year	81	87
Less: Transferred to Securities premium account	–	(56)
Closing balance	201	120
The above reserve relates to share options granted by the Parent to its employees under its employee share option plan. Further information about share based payments to employees is set out in note 33.		
(e) Investment Subsidy		
Opening balance	–	15
Less : Utilised /reversed during the year	–	(15)
Closing balance	–	–
(f) Reserve for equity instruments through Other Comprehensive income		
Opening Balance	(10)	(6)
Additions/(Deletions)	–	(4)
Closing balance	(10)	(10)
This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to reatined earnings when those assets have been disposed of.		
(g) Actuarial movement through Other Comprehensive Income		
Opening balance	(28)	–
Additions/(Deletions)	(22)	(28)
Closing balance	(50)	(28)
(h) Retained Earnings		
Opening balance	2,906	2,340
Profit for the year	1,615	566
	4,521	2,906
Less : Appropriations		
Dividend on Equity Shares (including dividend distribution tax)	112	–
Closing balance	4,409	2,906
The amount that can be distributed by the Parent as dividends to its equity shareholders is determined based on the separate financial statements of the Parent and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.		
The Board of Directors of the Parent at their meeting on May 11, 2018 have recommended a final dividend of ₹ 1.50 per Equity Share of Face value of ₹ 10/- each for the financial year ended March 31, 2018 which is subject to approval of the shareholders at the ensuing Annual General Meeting.		
Total Other Equity	6,412	4,850

₹ in Lakhs

Note 16

Borrowings

LONG TERM BORROWING	Non-Current Portion			Current Maturities		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured - at amortised cost						
i) Term Loans						
- from banks	–	188	438	–	250	62
Total	–	188	438	–	250	62

Summary of borrowing arrangements

Particulars	March 31, 2018	March 31, 2017	April 01, 2016	Rate of interest	Security	Terms of repayment
a) State Bank of India	–	438	500	10.8%	Secured by first *pari -passu* hypothecation charge on entire fixed assets of the Parent excluding intangible assets	Repaid as on March 31, 2018.

Breach of Loan agreement

There is no breach of loan agreement

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Note 17						
Provisions						
Secured - at amortised cost						
a. Provision for compensated absences	71	71	57	35	7	17
b. Provision for Warranty	223	181	125	510	345	230
	294	252	182	545	352	247

The provision for employee benefits includes annual leave and vested long service leave entitlements accrued and compensation claims made by employees.

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Note 18						
Other liabilities						
a. Statutory remittances	–	–	–	227	363	122
b. Provision for gratuity	5	4	–	47	21	–
c. Unexpired Annual Maintenance Contracts	32	27	44	53	36	41
	37	31	44	327	420	163

₹ in Lakhs

Particulars	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 19			
Short Term Borrowings			
Secured - at amortised cost			
a. Loan repayable on demand			
- from banks (refer note a below)	150	1,000	2,000
b. Others			
- Buyer's credit	179	949	648
- Others (Refer note b below		108	108
	329	2,057	2,756

Note : a) Working Capital facilities from Consortium Banks are secured by hypothecation of raw materials, components, work in process, finished goods, book debts, stores and spares and further secured by a second charge over the immovable properties of the Parent on a *pari-passu* basis of the consortium banks.

b) Represents loans borrowed by subsidiary from its Directors.

Particulars	Current		
	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 20			
Trade Payables			
Trade payables (Refer note a)	92,780	27,800	7,004
Employee related payables	249	227	135
	93,029	28,027	7,139

Note : a) of this an amount of ₹ 52 lakhs (2017 - ₹ 83 lakhs; 2016 - ₹ 41 lakhs) was due to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 which is on the basis of such parties having been identified by the management and relied upon by the auditors.

Particulars	Current		
	As at 31-Mar-2018	As at 31-Mar-.2017	As at 01-Apr-2016
Note 21			
Other financial liabilities			
At Amortised Cost			
(a) Current maturities of long-term debt (Refer note 16)	–	250	62
(b) Interest accrued but not due on borrowings & acceptance	2	17	29
(c) Unclaimed dividends	4	–	–
(d) Security deposit	264	92	93
(e) Liability for expenses	13	13	10
At Fair Value through profit or loss			
(i) MTM liability not designated through hedge relationship	2	36	10
	285	408	204

₹ in Lakhs

Descriptions	For the Year ended 31-Mar-2018	For the Year ended 31-Mar-.2017
Note 22		
Revenue from Operations		
(a) Sale of Products (Including Excise Duty) (Refer note a)	23,615	24,517
(b) Sale of Products - Distribution Business	387,512	221,942
(c) Sale of Services	6,040	6,098
(d) Sale of Services - Distribution Business	1,019	150
(e) Other operating revenues - scrap sales	56	12
Total	418,242	252,719
Note : a) Includes sale of Food Products ₹ 444 lakhs for year ended March 31, 2018 (₹ 403 lakhs for the year ended March 31, 2017).		
Note 23		
Other Income		
(a) Interest income earned on financial assets that are not designated at fair value through profit / loss		
On bank deposits (at amortised cost)	121	66
On security deposits	13	12
(b) Other gains or losses		
- Profit on sale of fixed assets	4	5
- Profit on sale of investments	1	109
- Net gain arising on financial assets measured at FVTPL	56	10
- Net gain on foreign currency transaction and translation	25	99
(c) Other non-operating income	1	7
Total	221	308
Note 24		
Cost of material consumed		
Opening stock of raw materials and components	871	546
Add: Purchases	10,942	10,616
	11,813	11,162
Less: Closing stock of raw materials and components	1,089	871
Consumption of raw material and components	10,724	10,291
Note 25		
Purchase of Stock-in-Trade		
Purchases of Stock-in-trade	427,682	241,163
Total	427,682	241,163

₹ in Lakhs

Descriptions	For the Year ended 31-Mar-2018		For the Year ended 31-Mar-2017	
Note 26				
Changes in Inventories of finished goods, work-in-progress and stock in trade				
Opening Stock:				
Finished goods	289		271	
Stock-in-trade	14,167	14,456	3,271	3,542
Closing Stock:				
Finished goods	342		289	
Stock-in-trade	47,109	47,451	14,167	14,456
Increase in Stocks		(32,995)		(10,914)
Note 27				
Employee Benefit expense				
(a) Salaries, Wages and Bonus		2,797		2,789
(b) Contribution to Provident and Other Funds		227		183
(c) Workmen and Staff Welfare Expenses		206		186
(d) Share-based payments to employees		81		87
Total		3,311		3,245
Note 28				
Finance Costs				
(a) Interest				
On term loans		22		53
On others		99		200
(b) Other borrowing costs		21		28
Total		142		281
Other borrowing cost includes loan processing charges, guarantee charges, loan facilitation charges and other ancillary cost incurred in connection with borrowings.				
Note 29				
Depreciation and amortisation expense				
Depreciation/amortisation on				
(a) Property, plant and equipment		400		579
(b) Intangible assets		61		27
Total		461		606

₹ in Lakhs

Descriptions	For the Year ended 31-Mar-2018		For the Year ended 31-Mar-2017	
Note 30				
Other expenses				
(a) Consumption of Stores, Spares and Consumables		123		97
(b) Power and Fuel		182		185
(c) Rent		879		942
(d) Repairs and Maintenance				
- Buildings	340		356	
- Plant and Machinery	42		43	
- Others	270	652	299	698
(e) Insurance		82		139
(f) Rates and Taxes		55		136
(g) Auditors' Remuneration (refer note 35 (iii))		27		23
(h) Directors' Fees and Commission		19		21
(i) Loss on Sale & discard of Assets		51		98
(j) Travelling & conveyance		469		496
(k) Legal & consultancy		505		611
(l) Outsource staffing services		1,965		1,848
(m) Carriage outwards		486		518
(n) Corporate Social Responsibility expense		14		–
(o) Provision for doubtful debts		25		19
(p) Bad Debts / Advances written off		13		21
(q) Warranty expenses		321		241
(r) Annual Mainrenance Contracts expense		69		35
(s) Authorised service provider expense		271		131
(t) Miscellaneous expenses		835		1,020
Total		7,043		7,279
Note 31				
Earning per Share				
Basic Earnings per share		8.68		3.04
Diluted Earnings per share		8.58		3.02
31.1 Basic Earning per Share				
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.				
Profit after Taxation (₹ in Lakh)		1,615		566
Earnings used in the calculation of basic earnings per share		1,615		566
Number of equity shares of ₹ 10 each outstanding at the beginning of the year		1,86,12,818		1,85,52,818
Add : Number of shares issued pursuant exercise of Employees Stock option		–		60,000
Number of equity Shares of ₹ 10 each outstanding at the end of the year		1,86,12,818		1,86,12,818

₹ in Lakhs

Descriptions	For the Year ended 31-Mar-2018	For the Year ended 31-Mar-2017
31.2 Diluted Earnings per share		
The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows.		
Earnings used in the calculation of basic earnings per share	1,615	566
Adjustments	–	–
Earnings used in the calculation of diluted earnings per share	1,615	566
The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:		
Weighted average number of equity shares used in the calculation of basic earnings per share	18,612,818	18,612,818
Shares deemed to be issued for no consideration in respect of - employee options	208,788	124,019
Weighted average number of equity shares used in the calculation of diluted earnings per share	18,821,606	18,736,837
Note 32		
Non controlling interests		
Balance at beginning of the year	(73)	57
Share of profit and other comprehensive income for the year	(114)	(130)
Other Consolidation adjustments	133	–
	(54)	(73)

Details of non-wholly owned subsidiary that has material non-controlling interests.

The table below shows details of non-wholly owned subsidiary of the Parent and its non-controlling interests:

Name of the Subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests.		
		March 31, 2018	March 31, 2017	April 01, 2016
Benani Foods Private Limited	India	58.20%	65.94%	70.71%

Note 33

Share based payments

33. 1 Employee share option plan of the Parent

33.1.1 Details of the employee share option plans of the Parent

Refere note 1 (16) for accounting policy on share-based payment.

The shareholders of the Parent had approved Employee Stock Option scheme 2011, at previous annual general meetings which will be administered by the Nomination and Remuneration committee of the Board of Directors.

Each employee share option converts into one equity share of the Parent on exercise. No amount in excess of face value of the share are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following share-based payment arrangement were in existence during the current and prior years

S.No	Description	Date of grant	Number of Options granted	Expiry date	Fair value on the date of grant as per Binomial option pricing model (in ₹)	Exercise price (in ₹)
1	Details of options granted	06.05.2015	60,000	06.05.2021	96.14	10.00
		14.10.2015	150,000	31.03.2023	97.56	10.00
		14.10.2015	150,000	31.03.2025	97.01	10.00
	Total		360,000			

33.1.2 The following assumptions were used for calcuation of fair valuation of grants in accordance with Binomial model:

Particulars	Vest 1	Vest 2	Vest 3
Grant date share price	06-May-15	14-Oct-15	14-Oct-15
Exercise price (in ₹)	10.00	10.00	10.00
Expected volatility	58.2%	58.1%	60.1%
Expected life (years)	5.1	7.0	9.0
Dividend yield	–	–	–
Risk free interest rate	7.5%	7.7%	7.7%

The risk free interest rate are determined based on zero coupon soverign bond yield with maturity equal to expected life of the option. Volatality calculation is based on historical stock price using the standard deviation daily change in stock price. The historical period is taken into account to match the expected life of the option. Dividend yield has been arrived based on the historical trend of dividend declaration by the Parent as on valuation date.

33.1.3 Movements in share options during the year :

	Particulars	Remarks	Options (Numbers) 2017-18	Weighed Average exercise price per option ₹	Options (Numbers) 2016-17	Weighed Average exercise price per option ₹
a	Balance at the beginning of the year	Options vested and exercisable	–	–	60,000	96.14
		Options unvested	300,000	97.28	300,000	97.28
		Total	300,000	97.28	360,000	97.09
b	Options granted during the year		–	–	–	–
c	Options vested during the year		–	–	–	–
d	Options exercised during the year		–	–	60,000	96.14
e	Options lapsed/cancelled during the year		–	–	–	–
f	Options outstanding at the end of the year	Options vested and exercisable	–	–	–	–
		Options unvested	300,000	97.28	300,000	97.28
		Total (a+b-d-e)	300,000	97.28	300,000	97.28

Weighted Average remaining contractual life for option outstanding as at March 31, 2018 was 2,192 days (March 31, 2017: 2,557 days)

33.1.4. Share options exercised during the year: Nil (2017 - 60,000 options)

Note 34

First-time Ind AS adoption reconciliation

34.1 Reconciliation of total equity as at March 31, 2017 and April 01, 2016

₹ in Lakhs

Particulars	As at March 31, 2017 (End of last period Presented under Previous GAAP)	As at April 01 , 2016 (Date of Transition Presented under Previous GAAP)
Total Equity (shareholder's funds) under previous GAAP	5,870	5,105
Adjustment for consolidation of subsidiary in accordance with Ind AS 110 (Refer note a)	(12)	(8)
Non controlling Interest presented as part of total equity (Refer note a)	(73)	57
Fair valuation of investments under Ind AS (Refer note d)	(13)	69
Intangible asset with indefinite useful life (Refer note b)	310	–
MTM of Forward Contracts	(36)	(10)
Deferred Tax on Unabsorbed losses and Minimum Alternate Tax credit entitlement	688	917
Actuarial Loss / (Gain) on Employee defined benefit plans recognised in other comprehensive income	(21)	–
Tax on above	(70)	10
Other adjustment net	(5)	1
Total adjustment to equity	768	1,036
Total equity under Ind AS	6,638	6,141

34.2 Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars	Year ended March 31, 2017 (Latest period presented under previous GAAP)
Profit as per previous GAAP	681
Adjustments	
Adjustment for consolidation of subsidiary as per Ind AS 110 (Refer note a)	(134)
Writeback of depreciation for intangible having indefinite useful life (Refer note b)	310
Mark to Market valuation of Forward contracts (Refer note g)	(26)
Fair valuation of investments (Refer note d)	(93)
Fair valuation of ESOP (Refer note e)	(9)
Other adjustment, net	(11)
Tax on above	(85)
Deferred tax on utilization of unabsorbed depreciation and Minimum Alternate Tax credit entitlement	(229)
Total adjustments	(277)
Total comprehensive income under Ind AS	404

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under previous GAAP

₹ in Lakhs

34.3 Effect of Ind AS adpotion on the statement of cashflows for the year ended March 31, 2017

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	1,753	141	1,894
Net cash flow from / (used in) investing activities	15	(74)	(59)
Net cash flow used in financing activities	(1,037)	(199)	(1,236)
Net (decrease) / increase in cash and cash equivalents	731	(132)	599
Cash and cash equivalents as at April 1, 2016 (Refer note 1)	603	137	740
Cash and cash equivalents as at March 31, 2017 (Refer note 1)	1,334	5	1,339

Note : 1) Adjustments represents Cash and Cash Equivalents of Benani Foods Private Limited which is consolidated as subsidiary as per Ind AS 110

34.4Notes to the reconciliations

a. Consolidation of Subsidiary as per Ind AS 110

Benani Foods Private Limited is considered as a subsidiary of the parent, even though the parent has only a 41% ownership (March 2017 - 34%; March 2016 - 30%) interest. The Directors of the Parent assessed whether the parent has control over Benani Foods Private Limited based on whether the Parent has the practical ability to direct the relavant activities of Benani Foods Private Limited. In making the judgment, the directors considered the parent's absolute size of holding in Benani Foods Private Limited and other relative size of and dispersion of the share holdings owned by the other shareholders. After assessment, the directors concluded that the parent has a sufficiently dominant voting interest to direct the relavant activities of Benani Foods Private Limited and therefore the Parent has Control over Benani Foods Private Limited.

b. Intangible asset with indefinite useful life

Business Rights having a carrying value of ₹ 1,809 lakhs as on transition date (April 01, 2016) was reassessed to be an intangible with indefinite useful life As there was no impairment, depreciation/amortisation of ₹ 310 lakhs relating to the year ended March 31, 2017 has been reversed.

c. Actuarial gains and losses

Under previous GAAP, actuarial gains and lossed were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in the other comprehensive income under Ind AS instead of profit or loss. The actuarial loss for the year ended March 31, 2017 net of taxes were ₹ 21 lakhs.

d. Long term investments as FVTPL / FVTOCI

Under previous GAAP, long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, these financial assets have been classified as FVTPL / FVTOCI. On the date of transition to Ind AS, these financial assets have been measured at their fair value which is higher than the cost as per preivous GAAP, resulting in an decrease in carrying amount by ₹ 13 lakhs as at March 31, 2017 and increase of ₹ 69 lakhs as at April 01, 2016. The corresponding deferred taxes have also been recognised as at March 31, 2017 and April 01, 2016.

e. Share based payments in Fair value

Under previous GAAP, the cost of equity settled employee share-based payments was recognised using the intrinsic value method. This did not result in recognising any expense in profit or loss in respect of these share-based payments because the fair value of the shares on the grant date equaled the exercise price. Under Ind AS, the cost of equity-settled employee share-based payments is recognised based on the fair vlaue of the options as on the grant date. The change does not affect total equity, but there is a decrease in profit before tax as well as total profit of ₹ 9 lakhs.

f. Other comprehensive income

Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains or losses are required to be presented in other comprehensive income.

g. MTM on Forward Contracts

Under previous GAAP, the Forward contracts outstanding as on reporting date were not requried to be restated basis MTM valuation. Under Ind AS, the forward contracts outstanding needs to be valued as per MTM. On the date of transition to Ind AS, these financial assets have been measured at MTM which is higher than the liability as per preivous GAAP, resulting in an increase in liability by ₹ 10 lakhs as at March 31, 2017 and ₹ 36 lakhs as at April 01, 2016.

Note 35

Other Disclosures

(i) Contingent liabilities

₹ in Lakhs

Details	31st March 2018	31st March 2017	01st April 2016
(i) Claims against the company not acknowledged as debt			
Income tax	97	46	277
Excise duty	13	13	13
Value added tax	56	59	57
Others	56	56	–
(ii) Capital commitments			
(i) Estimated amount of contract remaining to be executed on capital account and not provided for (net of advance)	98	10	88
(iii) Audit Fees			
As statutory auditors	16	14	
Taxation matters	2	2	
Other services	5	4	
Reimbursement of expenses	4	3	
Total	27	23	
(iv) Expenditure incurred on Corporate Social Responsibility activities:			
(a) Gross amount required to be spent by the Parent during the year	13	NA	
(b) Amount spent during the year in cash	14	NA	
(v) 'Exceptional Items' of ₹ 369 lakhs represents net profit on sale of leasehold rights on land and other assets.			

Note 36

Related Party Disclosure for the year ended March 31, 2018 (as required under Ind AS 24)

36.1. Holding companies

T.V.Sundram Iyengar & Sons Private Limited, Madurai (Ultimate Holding Company)

TVS Investments Private Limited, Chennai (Holding Company of Parent)

36.2 Other Related Parties with whom transactions have been made during the year

Fellow Subsidiaries:

Sundaram-Clayton Limited, Chennai

TVS Motor Company Limited, Chennai

TVS Capital Funds Private Limited, Chennai

36.3 Key Management Personnel (KMP)

Mr. Gopal Srinivasan (Chairman)

Mr. K E Ranganathan (Managing Director until 30th June 2016)

36.4 Transactions with related parties

₹ in Lakhs

	2017-18	2016-17
Services availed		
a. Sundaram-Clayton Limited, Chennai	14	12
b. TVS Investments Private Limited, Chennai	53	40
c. TVS Capital Funds Private Limited, Chennai	148	100
Sale of Materials / Fixed Assets		
a. TVS Motor Company Limited, Chennai	20	14
b. Sundaram-Clayton Limited, Chennai	3	1
Services rendered		
a. TVS Motor Company Limited, Chennai	117	96
b. TVS Capital Funds Private Limited, Chennai	12	10
c. Sundaram-Clayton Limited, Chennai	101	96
Remuneration to Key Management Personnel		
1. Salary	–	23
2. Employee Stock Option Plan	–	2
3. Sitting Fees	1	1
Closing Balance		
a) Trade Receivables		
1. Sundaram-Clayton Limited, Chennai	26	21
2. TVS Motor Company Limited, Chennai	15	10
3. TVS Capital Funds Private Limited, Chennai	–	1
b) Indemnity Deposit		
TVS Investments Private Limited, Chennai	2,500	2,500
c) Trade Payables		
1. TVS Investments Private Limited, Chennai	17	24
2. TVS Capital Funds Private Limited, Chennai	46	–
3. Sundaram-Clayton Limited, Chennai	4	4

Note 37

Income taxes relating to continuing operations

37.1 Income tax recognised in profit or loss

	2017-18	2016-17
Current tax		
In respect of current year	550	–
In respect of prior years	–	(38)
Deferred tax		
In respect of current year	270	278
Total income tax gain recognised in the current year relating to continuing operations	820	240

₹ in Lakhs

	2017-18	2016-17
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax from continuing operations	2,320	677
Income tax expense calculated at 34.608% (2016-17 - 33.063%)	803	224
Effect of income that is exempt from taxation	(1)	(1)
Effect of differential tax rate for LTCG	(28)	–
Effect of expenses that are not deductible in determining taxable profit	(18)	(23)
Others (including effect of other temporary differences now recognised as DTL, net)	64	78
	820	278
Adjustments recognised in current year relating to current tax of previous years	–	(38)
Income tax expense recognised in profit or loss (relating to continuing operations)	820	240
The tax rate used for the 2017-18 and 2015-16 reconciliations above is the corporate tax rate of 34.608% and 33.063% respectively, payable by corporate entities in India on taxable profits under the Indian tax law.		
37.2 Income tax recognised in other comprehensive income		
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Net fair value gain on investments in equity shares at FVTOCI	–	(1)
Remeasurement of defined benefit obligation	(12)	(15)
Total income tax recognised in other comprehensive income	(12)	(16)

Note 38

Financial Instruments

38.1 Capital Management

The Group's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Group through the optimization of the debt and equity balance.

The Group determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Group monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Parent. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Parent:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Debt *	329	2,495	3,255
Cash and cash equivalents	3,238	1,339	740
Net debt	–	1,156	2,515
Equity**	8,273	6,711	6,084
Total capital (Debt + Equity)	8,273	7,867	8,599
Net debt to equity ratio	0.00	0.15	0.29

* Debt is defined as long-term and short-term borrowings (excluding derivatives).

** Equity includes all capital and reserved of the Parent that are managed as capital.

38.2. Categories of financial instruments

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
(a) Mandatorily measured:			
Other investments	97	419	690
Measured at amortised cost			
(a) Cash and bank balances	3,962	1,339	740
(b) Other financial assets	40,943	13,479	3,570
Measured at FVTOCI			
(a) Investments in equity instruments designated upon initial recognition	48	48	52
Financial liabilities			
Measured at fair value through profit or loss (FVTPL)			
(a) Derivatives not designated in hedge accounting relationships	2	36	10
Measured at amortised cost			
(a) Other financial liabilities	93,641	30,643	10,527

38.3 Financial risk management objectives

The Group has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Group's policies approved by the Board of Directors of the Parent, which provide written principles on foreign exchange risk. The Group does not enter into trade financial instruments, including derivative financial instruments, for speculative purposes.

38.4 Market Risk

The Group 's financial instruments are exposed to market rate changes. The Group is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk
- Other price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Group 's exposure to market risks or the manner in which these risks are being managed and measured.

38.5 Foreign Currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary liabilities at the end of the reporting period.

Currency	Liabilities as at (Amount in Lakhs)		
	March 31, 2018	March 31, 2017	April 01, 2016
USD	2	1	1
EURO	0	4	3
JPY	31	–	–

Foreign currency forward contracts outstanding as at Balance Sheet date:

Currency	Liabilities as at (Amount in Lakhs)		
	March 31, 2018	March 31, 2017	April 01, 2016
USD	4	18	16
EURO	1	–	4

38.5.1.Foreign Currency sensitivity analysis

The following table details the Group's sensitivity to a 10% increase and decrease in the ₹ against 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 where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in profit or equity where the ₹ strengthens 10% against the relevant currency. For a 10% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or equity.

Particulars	Currency USD impact		Currency EUR impact		Currency JPY impact	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Profit or loss	10	6	2	26	2	–

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

38.6 Interest rate risk management

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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings.

38.6.1 Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Particulars	For the year ended 31^{st} March 2018	For the year ended 31^{st} March 2017
Impact on profit & loss account (in ₹ lakhs)	3	25

38.7 Other price risks

The Group is exposed to equity price risks arising from equity investments. Equity investments are held for strategic purposes. The Group doesn't actively trade these investments.

38.7.1. Equity Price Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 100 points higher/lower;

Particulars	For the year ended 31^{st} March 2018	For the year ended 31^{st} March 2017
Impact on OCI (in ₹ lakhs)	0.5	0.5

38.8 Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information and its own trading records to review its major customers. The Group's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

38.9 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors of the Parent, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

38.9.1. Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its 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 can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2018

Particulars	Less than 1 year	1-3 year	3 - 5 year	5+years	Total contractual cash flows	Carrying amount
Trade payables	93,029				93,029	93,029
Borrowings	329				329	329
Other financial laibility	368				368	270

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2017

Particulars	Less than 1 year	1-3 year	3 - 5 year	5+years	Total contractual cash flows	Carrying amount
Trade payables	28,027				28,027	28,027
Borrowings	2,307	188			2,495	2,495
Other financial liabilities	119				119	109

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at April 01, 2016

Particulars	Less than 1 year	1-3 year	3 - 5 year	5+years	Total contractual cash flows	Carrying amount
Trade payables	7,139				7,139	7,139
Borrowings	2,818	438			3,255	3,255
Other financial liabilities	210				210	122

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

38.10. Fair value measurements

₹ in Lakhs

38.10.1 Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period. 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).

Particulars	Fair Value hierarchy	As at 31 March 2018			As at 31 March 2017			As at 01 April 2016		
		Amortised cost	Fair Value through profit of loss	Fair value through OCI	Amortised cost	Fair Value through profit of loss	Fair value through OCI	Amortised cost	Fair Value through profit of loss	Fair value through OCI
Financial assets										
- Trade receivables	Level 2	40,087			12,738			2,906		
- Cash and cash equivalents	Level 2	3,238			1,339			740		
- Bank balances other than cash and cash equivalents	Level 2	724			–			–		
- Investments in Mutual funds	Level 2		97			419			690	
- Investments in equity instruments	Level 3			48			48			52
- Other financial assets	Level 2	856			741			665		
Financial liabilities										
Borrowings	Level 2	329			2,245			3,194		
Trade payables	Level 2	93,029			28,027			7,139		
Other financial liabilities	Level 2	283	2		372	36		194	10	

Note 39

Segment revenues, results and other information

Particulars	March 31, 2018				March 31, 2017			
	IT Products & Technical Services	Distribu-tion	Food Products	Total	IT Products & Technical Services	Distribu-tion	Food Products	Total
Revenue from Operations								
External Sales	29,267	388,531	444	418,242	30,225	222,091	403	252,719
Less: Inter Segment Sales - Elimination	–	–		–	–	–	–	–
Net Revenue	29,267	388,531	444	418,242	30,225	222,091	403	252,719
Segmentwise results before interest and tax and Exceptional items	737	1,261	(126)	1,872	(116)	963	(197)	650
Add: Interest Income	–	–	–	121	–	–		66
Add: Other unallocable Income	–	–	–	100	–			242
Less: Finance Costs	–	–	–	(142)	–	–		(281)
Profit before tax from ordinary activities before tax and exceptional items	–	–	–	1,951	–	–		677
Add: Exceptional items	369	–	–	369	–	–		–
Profit from ordinary activities before tax and after exceptional items	–	–	–	2,320	–	–		677
Less: Tax expense	–	–	–	(820)	–	–		(240)
Profit After Tax	–	–	–	1,500	–	–		437

Note 39

Segment revenues, results and other information (contd.)

₹ in Lakhs

Particulars	March 31, 2018				March 31, 2017			
	IT Products & Technical Services	Distribu-tion	Food Products	Total	IT Products & Technical Services	Distribu-tion	Food Products	Total
Segment Assets	9,786	88,138	420	98,344	16,464	18,672	305	35,441
Unallocated segment assets	–	–	–	4,721	–	–	–	2,932
Total Assets				103,065				38,373
Segment Liabilities	3,441	90,974	102	94,517	8,639	20,780	71	29,490
Unallocated segment liaibilities	–	–	–	329	–	–	–	2,245
Total Liabilities				94,846				31,735
Capital Expenditure	241	–	12	253	243	–	12	255
Segment depreciation/amortisation	446	–	15	461	593	–	13	606
Non–cash expenses / (income) other than depreciation / amortisation	81	–		–	87	–		–

Note 40

Employee benefit plans

A. Description of plans

The Group makes contributions to both Defined Benefit and Defined Contribution Plans for qualifying employees. These Plans are administered through approved Trusts, which operate in accordance with the Trust Deeds, Rules and applicable Statutes. The concerned Trusts are managed by Trustees who provide strategic guidance with regard to the management of their investments and liabilities and also periodically review their performance.

Provident Fund, Gratuity Benefits are funded and Leave Encashment Benefits are unfunded in nature.

Under the Provident Fund, Gratuity and Leave Encashment Schemes, employees are entitled to receive lump sum benefits. The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method at the year end. The Company makes regular contributions to these Employee Benefit Plans. Additional contributions are made to these plans as and when required based on actuarial valuation.

B. Defined benefit plans :

Gratuity :

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as March 31, 2018 by Mr. Bhargava, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit cost method.The following table sets forth the status of the Gratuity Plan of the Group and the amount recognized in the Balance Sheet and Statement of Profit and Loss. The Parent provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC).

The Group is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk :

The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Investment Risk :

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Escalation Risk :

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liabilty.

Demographic Risk :

The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

₹ in Lakhs

Particulars	Gratuity (Funded)	
	2017-18	2016-17
Present Value of obligations at the beginning of the year	250	188
Current service cost	42	29
Interest Cost	17	14
Acquistion / Diventitures / Adjustments	5	–
Re-measurement (gains)/losses:		
- Actuarial gains and losses arising from change in financial assumption	22	20
- Actuarial gains and losses arising from experience adjustment	–	19
Benefits paid	(40)	(20)
Present Value of obligations at the end of the year	296	250
Changes in the fair value of planned assets		
Fair value of plan assets at beginning of year	225	186
Interest Income	17	16
Return on plan assets	(11)	(4)
Acquistion / Diventitures / Adjustments	7	–
Other charges	(3)	–
Contributions from the employer	49	47
Benefits Paid	(40)	(20)
Fair Value of plan assets at the end of the year	244	225
Amounts recognized in the Balance Sheet		
Projected benefit obligation at the end of the year	296	250
Fair value of plan assets at end of the year	244	225
Funded status of the plans - Liability recognised in the balance sheet	52	25
Components of defined benefit cost recognised in profit or loss		
Current service cost	42	29
Net Interest Expense	–	(2)
Net Cost in Profit or Loss	42	27
Components of defined benefit cost recognised in Other Comprehensive income		
Remeasurement on the net defined benefit liability:		
- Actuarial gains and losses arising from change in financial assumption	22	20
- Actuarial gains and losses arising from experience adjustment	–	21
Return on plan assets	11	4
Net Cost in Other Comprehensive Income	33	45

₹ in Lakhs

Assumptions	March 31, 2018	March 31, 2017	April 01, 2016
Discount rate	7.30% to 7.80%	7.25% to 7.70%	7.75%
Expected rate of salary increases	7.50% to 10.00%	5.00% to 10.00%	5.00%
Expected rate of attrition	10.00% to 25.00%	5.00% to 8.00%	5.00%
Average age of members	33.66	35.72	36.74
Average remaining working life	24.34	22.28	21.26
Mortality	(IALM (2006-2008) Ultimate)		

The Parent has invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits.The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

Significant actuarial assumptions for the detemination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	March 31, 2018	March 31, 2017
Discount rate		
- 1% increase	15	7
- 1% decrease	(13)	(8)
Salary growth rate		
- 1% increase	(11)	(7)
- 1% decrease	11	7

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

D. Long Term Compensated Absence

The assumption used for computing the long term accumulated compensated absences on actuarial basis are as follows:

Assumptions	2017-18	2016-17
Discount rate	7.30% to 7.80%	7.25%
Attrition Rate	10.00% to 25.00%	5.00%
Expected rate of salary increases	7.50% to 10.00%	5.00%

Note 41

Percentage of contribution by Parent / Subsidiary

₹ in Lakhs

	Net assets (Total assets less Total liabilities)				Share in Profit			
	As a % of Consolidated Net Assets		Amount in ₹ Lakhs		As a % of Consolidated Net Profit		Amount in ₹ Lakhs	
	As at 31-Mar-18	As at 31-Mar-17	As at 31-Mar-18	As at 31-Mar-17	Year ended 31-Mar-18	Year ended 31-Mar-17	Year ended 31-Mar-18	Year ended 31-Mar-17
Parent :								
TVS Electronics limited	102%	102%	8,357	6,786	106%	130%	2,367	847
Subsidiary:								
Benani Foods Private Limited								
Share of Parent	(1%)	(1%)	(84)	(75)	(1%)	(10%)	(12)	(67)
Non Controlling Interest	(1%)	(1%)	(54)	(73)	(5%)	(20%)	(114)	(130)
Total	100%	100%	8,219	6,638	100%	100%	2,241	650

Note 42

Approval of financial statements

The Consolidated financial statements were approved for issue by the Board of Directors on May 11, 2018.

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

GOPAL SRINIVASAN
Chairman

PRAKASH KATAMA
Chief Executive Officer

BHAVANI BALASUBRAMANIAN
Partner

S. NAGALAKSHMI
Company Secretary

KARTHI CHANDRAMOULI
Vice President - Finance & CFO

Chennai
May 11, 2018

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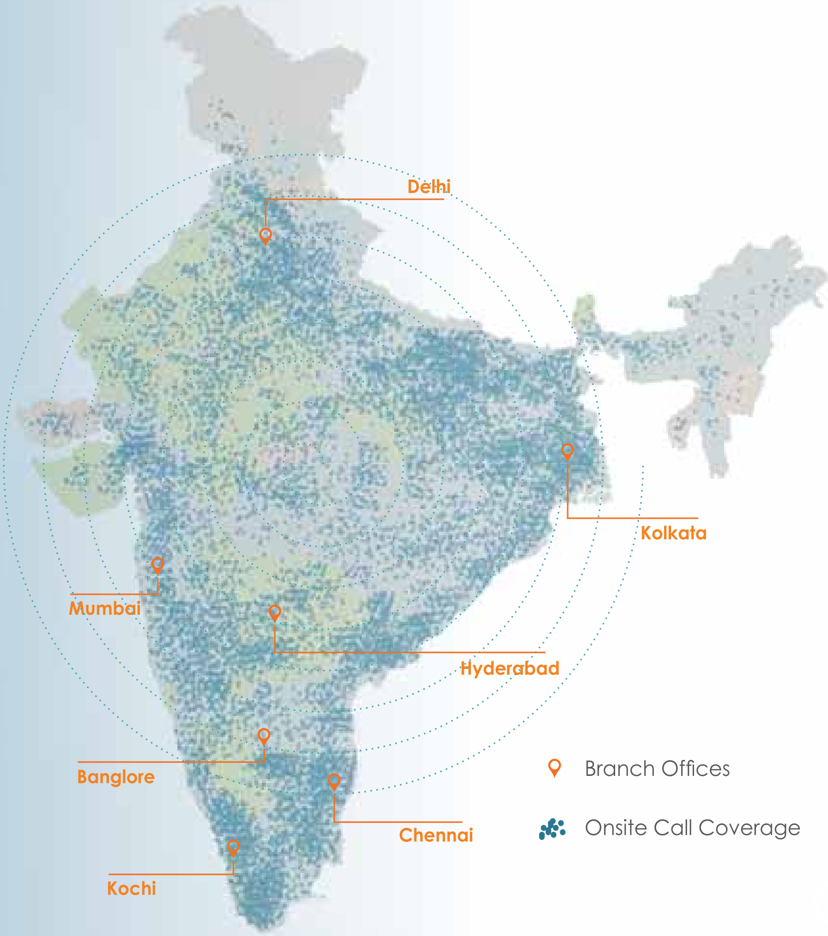

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